Strategy for Capacity Building of Urban Government Institutions in India

Research Study Series
Number 62

Prepared by Dr. P.S.A. Sundaram, Additional Secretary (AR&T), Ministry of Personnel, Public Grievances and Pensions, Government of India, New Delhi, under the Technical Assistance provided by the Asian Development Bank, Manila, to the Government of India for the preparation of the Urban Sector Profile Project (ADB TA No. 2098-IND).

National Institute of Urban Affairs
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EXECUTIVE SUMMARY

The Study focusses on the strengthening and capacity-building of urban government institutions, in the context of the economic and social changes sweeping the country, and the thrust towards democratic decentralisation symbolised by the 74th Constitutional Amendment. The analysis of various issues is done with special reference to four representative studies in three states viz., Bangalore, Mangalore, Aurangabad and Visakhapatnam.

The existing legal, institutional and human resource framework of the case study cities (with references to other cities as well as well where relevant) is described in detail and evaluated with reference to:

The statutory provisions governing municipal and urban government; the functional and organisational responsibilities for urban development, financing and management; the internal structure of the municipal organisation, the location and fragmentation of executive authority; State-Municipal relations, and forms of State control over municipal and urban government bodies; the emergence of parastatal agencies and the erosion of functional domain of municipalities; institutional linkages of urban agencies; gaps and fragmentation of responsibility for urban planning, operation and maintenance of services, capital investment, and various facets of management; problems of inter-agency coordination, including that with central government agencies; alternative service provision and privatisation; citizen participation and accountability; corruption in civic life; budgets and facilities in urban government institutions; budgetary systems and audit procedures; deficiencies in financial control; staff structure and caderisation of municipal staff; external controls; recruitment, promotion and internal management issues; skills of staff; performance appraisal; motivation and remuneration levels.

This analysis is accompanied by elaboration of the provisions of the 74th Amendment and the conforming legislation in the three states, their implications for functional allocation, metropolitan and district level planning, decentralised management, urban finances, control of state government etc. The persisting functional ambiguities are noted, as also various unattended tasks following the Amendment, including steps to equip the urban local bodies for discharging the considerably enlarged functions in a much larger canvas of mandate for economic planning, poverty alleviation and social justice.

The existing situation in respect of training and human resource development in the urban sector is then reviewed. Given the large numbers of personnel in Municipal bodies and functional agencies requiring to be trained, the available training facilities in different training centres are seen as grossly
deficient. More importantly, the present approach to training represents a top-down and supply-oriented response to preordained needs assessment. It is not a demand-led and client-specific approach that emphasises decentralised and organisation-based strategies. Municipal training, to be meaningful, needs to be organised within the context of organisational development, and linked to a differential approach for the variety of personnel systems. Similarly, the training for the sectoral agencies and planning authorities has to emphasise, along with technical aspects, financial, organisational and urban managerial aspects as well. Despite the considerable centralisation of controls over finances and activities of the municipal and urban agencies in the secretariat departments and the Directorates attached to the Departments, the present efforts for capacity building do not address their requirements for policy formulation and monitoring, preparation of enabling laws and procedures, and statewide information systems and training plans.

Based on a detailed assessment of the profiles of institutions and services in the four cities, the critical constraints to effective, efficient and responsive urban management are identified and analysed in terms of:

- functional distribution before and after the 74th Amendment, the overlap and ambiguities, the unwillingness to cede effective power to the local government bodies; and the persistence of state control on municipal functioning, that undermines decentralised government;
- inadequate internal structure of municipal corporations, the unclear and fragmented executive authority for administrative and financial powers, control over appointment and control of staff, and consequent potential for tensions between municipal authorities; the resulting undermining of authority of the Commissioner over the employees, and the dominance of sectional departmental interests prevailing over much needed city level perspective; the distorted priorities of councillors for routine administration and contracts instead of larger policy issues;
- diffused organisational structure for urban government and the multiplicity of laws, institutions and mandates; the gaps and overlaps of functions caused by development authorities and functional agencies of central and state government, functioning often in isolation from the municipal corporation;
- the problems of interagency cooperation, and the widespread evidence of institutional fragmentation and divided responsibility; the hostility of the elected representatives to the encroachment of the functional agencies on traditional functions of municipalities, and the dumping of maintenance functions in developed colonies and unauthorised layouts; problems of takeover of colonies developed by development authorities and functional agencies; the problems of residents in
peripheral areas and slums; the division of controls for land development and construction, and the problems of delay and harassment for various permissions; the special problems caused by the Cantonment Boards and central government agencies for lack of coordinated planning and infrastructural provision; the lack of city level coordinated environmental management and pollution control; neglect of traffic management;

- the absence of functioning institutional arrangements for regional coordination, even in metropolitan cities having agencies with mandated responsibilities for coordination; the limited success of city level convergence mechanisms for slums in cities like Visakhapatnam, and the failure to extend the approach to the entire city; the adventure of planning authorities with real estate and their distraction from pursuing city level integrated spatial and economic planning, and the lack of equipment at the stat and city level for the new mandate of Planning Committees in the 74th Amendment;

- implications for privatisation and alternative service provision; the limited extent of contracting of services, despite the good experience of a number of development authorities and municipal corporations; attitudes of political leaders and the unions; unwillingness of bureaucracy to experiment with new forms of service provision, including community management of services;

- inadequate finances and facilities for carrying out the assumed functions, and service deficiencies, uncovered areas and population, especially those from the low income groups; erratic and unreliable provision of basic services, resulting from inadequate financial provision, inefficient organisation, poor budgeting, and lack of integrated approach to waste management, road maintenance, traffic management etc.; low mechanisation and levels of office equipment, and poor maintenance of operating facilities, partly due to lack of trained staff and poor attention to maintenance needs; failure to involve the community and citizens in the upkeep of facilities; infirmities of the line-entry cash budgeting and irresponsible spending; lack of financial control, costing of services, and cash management; failure to exploit available revenue sources, or to ensure full recovery of demand of taxes, user charges, rents and licence fees; problems of delayed valuation of properties, inadequacies in assessment, levy of water and user charges, timely revision of rents; political resistance to rate revision and culture of forgiveness of defaults;

- the problems of the mixture of staff structures and caderisation; the bottom heavy staff structure and the preponderance of unskilled staff; the salary levels; lack of adequate promotion channels and incentives for performance; deficient skills at various levels; unionisation and lack of spurs to excellence; lack of orientation for participative
management and sympathetic response to citizen problems; frustration over management styles and rigid procedures and systems;

- lack of accountability and transparency in administration; the limited success of UBSP in different cities, and problems of their upscaling; frustration of citizens over complex rules and procedures and difficulties in access to basic services and permissions; centralisation of administrative functions; recourse of citizens to agitation and instances of sectional interests and lobbies;

- limited efforts for systematic training of staff and on-the-job skill provision;

In every sphere of urban services, the provision and management seems to be characterised by ineffectiveness, unresponsiveness, and inadequacies, and the signs of deteriorating and overstressed service systems are present in all but the more affluent and insulated areas of the cities. The financial position is under severe strain, because of imprudent management, poor tax administration, poor cost recovery, and inadequate financial controls.

In the light of the analysis of the critical constraints to efficient and responsive management, appropriate measures are proposed, under various heads, to address these constraints, including specific proposals for in-service human resource development programmes, and the scope for transfer of functions to the private sector. It is pointed out that training needs of urban government institutions is a derived task for improving effectiveness of these institutions with government support in the context of decentralised local government, and has to be related to the specific objectives of the Organisational development objectives of the municipalities and functional agencies. It is necessary to take a more comprehensive view of urban management to subsume governance and the civic society, with its various stakeholders, and address ways in which partnerships at different levels with the private sector, voluntary agencies and citizen groups can be nurtured on equal terms.

The differing needs, circumstances, and endowments of municipal bodies in different states need to be kept in view, in devising urban institutional strategies. Among the immediate priorities are: clear functional clarity of different agencies and municipal bodies; early finalisation of the reports of the state Finance Commissions and action on their recommendations, so as to give stability to the finances of urban local bodies, related to agreed norms of performance and revenue mobilisation; amendment of various laws relating to agencies concerned with planning and infrastructure provision in order to restore the primacy of the city municipal bodies in infrastructure provision and planning, with due regard to regional coordination; and modification of various provisions relating to state control that makes a mockery of real exercise of
political power by the urban local bodies; it would in fact be useful for the Government of India now to formulate a model Municipal law to meet the needs of differentiated urban settlements, and to suggest parallel changes in other laws relating to urban planning and infrastructure provision, and reach a consensus with the state governments on the time bound enactment of these laws.

The role of the state government is vital, in giving up the present forms of stifling and unproductive control in favour of more flexible and normative rules of intergovernmental relations, structured on autonomous systems of staff appointment and local staff control, predictable and assured systems of revenue sharing and assignment, fiscal autonomy, greater role and authority for local political leadership in municipal affairs, installation of state training plans and supporting facilities for skill upgrading, access of urban government institutions to finance for investment and operations, enforcement of viable cost recovery and revenue mobilisation etc., With a more clear focus of executive authority, and greater control over the structuring and control over departments, the Commissioners, with reasonable tenures and backed by responsible local leadership, can hopefully address the various constraints to efficient performance more effectively. The state governments should also objectively evaluate their own capacity for orchestrating the complex agenda of urban management and finances, and take steps to build up the capacities of the relevant departments and support agencies, while developing a comprehensive urban information base and performance indicators.

The Central government should play the lead role in encouraging the state governments to formulate state training plan on the lines of the proposal formulated for Karnataka. This would cover: training needs analysis of different types and categories of personnel in municipal and other agencies; assessment of training requirements, relating to subject areas, target groups, training modes, training curriculum and material, integrated and in-house training, and the special HRD needs of the elected councillors and community groups; strengthening and reorientation of training institutions, and the recast role of national training institutions. Training should increasingly be demand-led and location-specific; be both knowledge-based and skill-orientated; support decentralisation and regionalisation of training efforts; and involve the collaboration of all ongoing programmes by different sectoral agencies in the social sector for convergent impact on capacities of urban personnel. The successful efforts for in-house training, undertaken in some of the housing and water supply sectoral agencies, need to be evaluated for replication.

Training and human resource development have to be integrated into urban development strategy and the proposed reform of municipal and urban institutions, and their orientation towards accountability and transparency.
Whether considered as a proportion of the investment in urban infrastructure, or as a component of total expenditure on unproductive staff, or set against the savings to be realised from minimisation of waste from more efficient urban management, or by monetising the savings for the people benefiting more responsive services, it must be conceded that the small additional cost of capacity building and training in the urban sector will more than repay itself. There are enough opportunities for optimally regrouping and deploying available provisions for training and technical assistance, and for more focussed use of the provisions in projects aided by external agencies.
PREFACE

The report on the Strategy for Urban Government Capacity Building has been prepared for the Department of Urban Development, Ministry of Urban Affairs and Employment, Government of India, under the technical assistance agreement with the Asian Development Bank. It is envisaged as an input for the efforts of the Department of Urban Development in the formulation of a sector profile for Urban Development. It envisages the review and evaluation of the key issues and constraints in strengthening the organisational, functional and managerial capabilities of urban local bodies and the development of a strategy for capacity building of the entire urban Government. This would be outlined in the context of the provisions of the 74th Constitutional amendment for empowering elected urban local bodies, the on-going policies for economic liberalisation, the new role of the Government as a facilitator, recent initiatives for poverty alleviation, and the emphasis on partnerships with citizen bodies, voluntary agencies and the private sector. The study has acquired added importance in view of the recent efforts of the Government of India to pursue a National Debate on Effective and Responsive Administration at all levels.

The report was possible because of the great cooperation extended by the officials of the Department of Urban Development, Government of India, the officials in charge of urban development and housing in Maharashtra, Andhra Pradesh and Karnataka, the Municipal Commissioners of Bangalore, Mangalore, Visakhapatnam and Aurangabad, the Director of National Institute of Urban Affairs, Prof. O.P. Mathur of National Institute of Public Finance and Policy, Human Settlement Management Institute, HUDCO, and many other friends whose names are not being mentioned only because of constraint of space. I am extremely thankful to the Asian Development Bank and the officials of the regional office, New Delhi for helping me in the writing of the report under the Technical Assistance Project.

I am thankful to the Training Division of the Department of Personnel & Training, Government of India for agreeing to bring out this report for wide dissemination amongst State Governments, training institutions and experts. It is felt that in the context of efforts of the Government of India for capacity building at the decentralised level and the documentation of problems and initiatives, the report will be a useful contribution.

P.S.A. SUNDARA
INTRODUCTION

This Study focusses on the strengthening and capacity building of urban government institutions in India, in the context of the economic and social changes sweeping the country, and the thrust towards democratic decentralisation as symbolised by the 74th Constitutional Amendment. The analysis of issues has been done, with reference to field studies in four representative large cities in three large states viz., Bangalore and Mangalore in Karnataka, Aurangabad in Maharashtra, and Visakhapatnam in Andhra Pradesh. In the light of the analysis of the critical constraints to efficient and responsive urban management, appropriate measures are proposed to address these constraints, including proposals for human resource development programmes, and the scope for transfer of some functions to the private and community sector. It delineates the role of the Central and State Governments in the Indian Federal Polity in promoting the organisational and financial capability of the newly empowered local bodies, and in assuring self-reliant and equitable urban growth to subserve the process of liberalisation and poverty alleviation.

It is recognised, and well documented by the Urban Indicator study in a number of cities, that the urban shelter and infrastructure crisis is of daunting proportions, and threatens the income and health base of the poor, the economic fabric of society, and the quality of environment. The financial requirements to address the deficiencies are also huge and far beyond what the Government alone can provide. However, the answers to improved financial health of city institutions are seen to lie, to a considerable extent, in their improved capacities to plan and implement, and build partnership with various stakeholders. It also depends on greater autonomy for, and less inhibiting state controls on, urban government institutions.

The Study may be considered as an input to the followup action on the Habitat II theme of sustainable development of human settlements in an urbanising world, and to the enabling socioeconomic strategy pursued by the Indian Government. It synchronises with a number of important developments on the urban policy front to match initiatives under the New Economic Policy such as: the approval of the National Housing Policy; the operation of an programmes for Integrated Urban Poverty Alleviation and Urban Basic Services, structured on an empowered local government and strong community organisations; the pursuit of actions under Agenda 21; the introduction of major urban infrastructure programmes in small and large cities, funded by budget provisions and institutional finance, and linked to institutional development; the work of various State Finance Commissions, coordinated by national level expertise and leadership, to put the municipal finances on a sound footing; the search for commercialisation of urban infrastructure and improved financial viability of urban services, with increased scope for privatisation and access to the capital market; increasing citizen initiatives in a number of cities for participation in urban planning and infrastructure provision; and the efforts for developing a national training plan for urban stakeholders.

In the context of the National Debate on Effective and Responsive Administration initiated by the Prime Minister in November, 1996 the subsequent conferences of Chief Ministers to
deliberate on responsive administration as well as empowerment of Panchayati Raj bodies, and the consequent steps taken by Central and State Governments, it is possible to place Urban Government capacity building within the overall context of the national effort. This will rest on the principles of accountability, transparency and right to information, clean Government, decentralisation, people friendly laws and procedures, civil service reform, and capacity building.
Chapter-I

THE FRAMEWORK OF URBAN GOVERNMENT IN INDIA

The Background

India is one of the largest democracies in the developing world, with a Federal Constitution. According to the 1991 Census, India has an urban population of 217.6 million, or 25.6% of the total population. The population in urban areas is projected to increase to over 307 million by the year 2001. The present urban population is spread over 3696 towns, including 23 metropolitan cities, 277 other cities with a population over 100,000, and 345 towns with a population between 50,000 and 100,000.

The Indian Federation consists of 25 states and 7 Union Territories (with lesser powers), with different levels of economic development and urbanisation. Under the Constitutional Division of Powers, Urban Development, housing and local government fall under the jurisdiction of the state governments, though the Central Government is competent, under certain Constitutional circumstances, to legislate on these subjects. The Central Government, under the planned economy of India, also has substantial leverage over the pattern of urban development, and its financing, through macroeconomic policy tools affecting urbanisation, and the control over investments and flows of finance from financial institutions.

The statutory framework for urban government will have to be considered temporally before and after the 74th Constitutional Amendment in 1992, which introduced Provisions for the empowerment of urban elected local bodies. The Amendment coincided with the policy shifts in favour of economic liberalisation and decentralised government, accompanied by greater devolution of resources.

The total number of urban local bodies in 1991 was 3592, including 55 Municipal Corporations for larger cities (among which are 23 metropolitan cities), and the urban population was over 217 million in that year. The population size of the more autonomous Corporations ranges from about 10 million for Bombay to 81,400 for Shimla; and from 1.4 million in Jaipur to 2700 in Sangat for the municipal councils.

The Legal Frame

The Municipal bodies are creatures of State legislation, although, after 1992, the Municipal laws are required to conform to Constitutional Provisions. Typically, the State Governments have enacted different laws for the Municipal bodies in the smaller towns, and for setting up Municipal Corporations in larger cities. The laws provide for the internal organisational structure and division of executive authority, functions, regulatory powers, tax and non-tax sources of revenue, staff, and penal provisions.

In addition to elected municipal bodies, there existed earlier a wide variety of non-representative governing institutions such as Notified Area Committees, but most of these have now been incorporated under the jurisdiction of the municipal bodies, in terms of the 74th Amendment. The Military Cantonment Boards under the Ministry of Defence are set up under a
separate Act of Parliament, and the relevant Act is yet to be amended. However, despite the Chairman of the Board being a senior Defence officer, the Board consists of equal number of elected and nominated members, and the elected councillors have a significant say in the administration of Cantonment areas except for land disposal.

**Functional Allocation**

In general, the Municipal laws specify a large number of obligatory and discretionary functions assigned to the Municipal bodies. The major functions which they actually handle are:

- Public Health and Sanitation, including the collection and removal of garbage (which also account for a significant share of municipal expenditure and unskilled staff)
- Public works and roads
- Water Supply and drainage (where this function has not been taken away partly or wholly by a parastatal)
- Preventive and curative health care
- Primary Education (except where it is taken over by the government)
- Licensing and regulation of building activity, various trades and occupations.

In addition to the legally assigned functions, the sectoral departments of the state government often assign unilaterally, and on an agency basis, various functions such as family planning and welfare, nutrition and slum improvement, disease and epidemic control, mass literacy, special public works etc.

There is a wide variation in the categorisation of obligatory and discretionary functions across states, and even among municipal bodies of different types within the same type. The Courts of Law have interpreted the obligatory function, and have directed various municipal councils, from time to time, to discharge the obligatory functions of sanitation, drainage etc., without putting up any plea of financial stringency.

**Internal Municipal Structure And the Authorities**

Every municipal law specifies the municipal authorities, and this is described in greater detail in the case studies. Barring West Bengal and Kerala, in other states, the Authorities in the Municipal Corporation consist of the Corporation, the Standing Committee and the Municipal Commissioner. The post of the Mayor is largely ceremonial, even where he is directly elected for five years, as in Andhra Pradesh. The elected councillors deliberate on policies and approve the Annual Budget, and the creation of posts. The Standing Committee exercises control over expenditure sanctions and contracts beyond a specified limit, and also some control over punishments to defaulting staff. The Municipal Commissioner is appointed by the state government, and exercises day-to-day executive powers and control over staff. An exception to this common model is found in West Bengal state, where the executive and policy making authority is vested in a Cabinet type Mayor-in-Council. In Kerala, the Mayor exercises considerable executive authority and supervises the Commissioner, who is designated the Secretary of the Corporation.

The executive power, including the appointment and supervision of staff, and expenditure on services, is fragmented among a number of Municipal Authorities with overlapping jurisdictions. This fragmentation is partly a matter of political intent, in order to prevent
The politicisation of civic administration; but it has led to a lot of tension between the political and appointive elements in Municipal Corporations. It has also led to strident demands for greater powers to the Mayors on the model of West Bengal. It is worth noting that, though the Bombay model has been claimed to be a compromise between the demands of democratic government and the requirements of administrative efficiency, it has not in practice pleased either the Commissioners or the elected councillors.

To quote from the Assembly speech of the West Bengal Minister (which state believes in a strong mayor system):

"The first requirement in a democratic society is that government, whether central or local, would be accountable to the electorate. One wonders how a local government which exists in name only and whose major powers and functions are statutorily assigned to a non-elected individual, however dedicated he may be, can pass the acid test of accountability.

The general experience is that, over the years, the roles of the local politicians and the bureaucrats in urban governance has been reversed in that the local politicians and councillors are seen to be interested more in such functions as tenders, contracts, recruitment, transfers, and the like; while the bureaucracy plays a critical role in policy matters affecting urban government and also planning and the development of urban areas. This is also because of the network of officials in municipal corporations and state agencies, often belonging to the integrated state services. Some Municipal commissioners rely on councillors for a feedback on the local situation, and utilise them as useful liaison with the citizens. The institution of the Borough Committees in Calcutta, with the elected councillors as members, has wide powers for the management of local services, and this has been replicated in the provision for Wards Committees in the Constitution.

The Mayor-in-council performs the three roles of a political executive, decision-making authority and a participant in management function. The system restores the much needed nexus between urban management and politics, and has been advocated on the ground of greater political accountability of decision-makers in urban governance. There is a unified executive, and clear lines of responsibility, control and accountability have been established. The heads of departments function under the dual control of the commissioner and the member of the Council in charge of their department. Any interdepartmental conflict is settled by the Mayor. While this political executive system has been introduced for all the West Bengal Corporations, it cannot be said to be fully tested because the same combination of political forces has been in power since 1978 at both the state and city level, and there has been no occasion of confrontation between the two levels of government, as in the case of Bombay.

Even in the Calcutta system, the Western model of a full-time political executive system has not been tested.

It is difficult to say whether the Calcutta system has resulted in larger mobilisation of revenues, or attempts by the Corporation to stake out for a larger role in urban government (such as the dilution of powers of the metropolitan authority and the transfer of its functions to the Corporation). In fact, the World Bank project for the Calcutta region was terminated because of the inability of the Corporation to raise sufficient revenues from water charges and property
taxes, and operate with viability. Nor has the Corporation raised a very strong voice against state control in respect of various matters.

State Control over Municipal Bodies

The colonial legacy of local self government in India is for the state governments to seek to retain control over the elected local bodies in various ways, in the name of fiscal discipline, checking unhealthy political squabbles, securing the performance of assigned functions, controlling establishment costs etc.

Under the BPMC Act, the powers of the state government include:

- require the Corporation to carry out or enforce the provisions of certain sections of the Act; and to appoint a person to carry out the instructions at the cost of the Corporation;
- to suspend or rescind any resolution or order of the Corporation, if the government is of the opinion that such resolution or order is in excess of, or contravention of, the powers of the Corporation, or is likely to lead to misuse or abuse of the Municipal Fund against public interest;
- to issue direction for regulating water supply in case of acute scarcity of water;
- to issue directions to the Municipal Commissioner requiring him to do a thing, or refrain from doing a thing, in public interest;
- to appoint the Municipal Commissioner, and to remove him when it appears when he is incapable of performing his duties, or is guilty of misconduct; or to remove him upon the requisition of the corporation;
- to direct the corporation to furnish any extract of the proceedings of the corporation or any of its committees, and to call for any report or information from the commissioner;
- power to appoint various officers and employees of the Corporation, or to require its approval for their appointment;
- requiring government approval for the creation of posts carrying salary exceeding Rs.800 p.m. (in the case of municipal councils, prescribing recruitment rules and the requirement of appointment from out of candidates recommended by the staff selection commission);
- approval to the Master Plans and town planning schemes, and building bylaws prepared by the Corporation, and the issue of statutory direction for variations in the master plan;
- approval to various forms of borrowing; prescription of conditions attaching to assigned revenue, grants and loans for capital works.

There are similar powers of control in the laws relating to the Municipal Corporations in Karnataka and A.P. In Karnataka, the government can declare an emergency in a city, and require members of designated essential services to remain on duty to perform the services. In A.P., the government has the power to remove the Mayor and Deputy Mayor after giving them notice. The financial control of the government is greater in these states than in Maharashtra, since government approval is required for expenditure exceeding specified limits, and for technical sanction of works exceeding specified limits. The Government has caderised most of
the posts in these two states, and controls the transfer and conduct of officials, as described in the Annexure. Various rules and regulations governing the administration of the Corporations have been issued by different state governments.

The Municipal Councils and similar local bodies constituted for non-corporation towns, are comparatively less autonomous than the corporations, as they are subject to more comprehensive and pervasive control in respect of the constitution of municipal services, appointment and posting of employees, their transfer, disciplinary proceedings, approval of estimates and contracts, inspections and control by a separate Directorate of Municipal Government, approval of budgets by the Collector, approval of taxation rates and exemptions, land use planning etc.

More disturbing was the tendency of state governments to extend their functional sphere to areas falling in the municipal bodies, and to assign the planning and implementation of housing, land development, water supply and sewerage to parastatals at state or city level. Thus, the substance of urban government appeared to lie with the state departments rather than the elected municipal bodies, and bulk of the important decisions affecting the city's political destiny were made exogenously at higher levels of government. Despite the proliferation of special purpose agencies in the city, there are serious gaps in services and planning, duplication of functions, and problems in the maintenance of new assets and facilities. This creates serious problems of coordination for urban government, and hardships for citizens, despite ad hoc or institutionalised systems of coordination set up in different cities. Illustrations of this tendency are to be found in the case studies, and the plethora of functional agencies found in different states.

City and Regional Planning

The town planning legislation in different states provided the framework for the preparation of master Plans, and for the sanction of layouts and building plans by individuals, but did not provide the institutional framework for coordinated spatial and infrastructure development. Even the more progressive regional and town planning law in Maharashtra was silent on the coordinated working of different infrastructure and landowning agencies in the city region, except that the designated authority inside or outside the municipal limits was responsible for the enforcement of planning controls. The antiquated Andhra Pradesh town planning law concentrated all planning powers in the town planning department. A separate law of A.P. established Urban Development Authorities for the bigger cities, but their coordinating role was not clearly spelt out. The parallel laws in different states for water supply and sewerage Boards, housing agencies, slum clearance boards, industrial estates etc., were not brought in line with spatial planning or municipal laws. It was left to strong Mayors or Municipal Commissioners to attempt informal coordination of different agencies for the implementation of different specific programmes.

Territorial Dimension

There is the further problem of territoriality for the growing bigger cities, the control of peripheral development. This has the dimensions of integrated service provision for the region on the one hand, and of decentralisation of city services for responsive delivery with citizen involvement. Both these aspects have been dealt with for the first time within the scope of the 74th Amendment, as will be seen later. There are different agencies operating to provide infrastructural services within the same urban area, each being responsible for a particular legal jurisdiction (as in the case of Delhi Metropolitan area, or the case with Cantonment Boards), or
for areas within a municipal area (such as DDA colonies in Delhi, or industrial townships abutting cities), or for the same target groups within the city (such as the provision of services for slum dwellers by three different agencies in Bangalore on the basis of the landownership of the slums).

As is now being realised by the state governments in the case study states, the categorisation of large and small urban areas has to address the question of rational territorial jurisdiction for the municipal bodies. It is necessary to consider the incorporation of industrial townships and village panchayats adjoining a large city, even as the contrary pressures build up from the townships with superior facilities and the smaller local bodies with strong instincts of preservation of their existence. In the case of Bangalore, the BCC is itself not keen to add new areas to the Corporation, and the compromise is to extend the limits to cover only the developed layouts and industrial townships. Visakhapatnam and Mangalore have to decide whether to propose the incorporation of contiguous municipalities. Aurangabad is facing the daunting prospect of the future merger of large areas under industrial development. Often, the peripheral townships leapfrog unsuitable pockets of land, and their inclusion aggravates the problem of extension of infrastructure. As seen from the example of Ahmedabad, and the extended areas in the case study cities, it is difficult to address areal service differentials with available resources, with sanitation being the biggest casualty.

**Metropolitan Coordination**

It was only in the context of metropolitan planning that the Planning and Development Authorities, established in different states after the model of Delhi, were vested with the central task of coordination of different agencies functioning in the metropolitan area. The World Bank Projects in Madras, Calcutta and Bombay sought to reinforce the importance of metropolitan authorities for the execution of the project. All these authorities were composed of nominated members, and generated the suspicion and hostility of elected bodies and established sectoral agencies from the beginning. Unfortunately, the DDA was diverted from its central planning role by its preoccupation with real estate activities and housing, and the conflict with the elected municipal corporation and other agencies. As for the other three, their coordinating role was seen as limited to the World Bank project, and the state government did not extend the mandate of BMRDA in Bombay or MMDA in Madras to the rest of the city Plan. Despite its stronger financial position and the high profile executive Committee, BMRDA’s role was undermined by a financially and organisationally strong Municipal Corporation and its marginalisation by the state government on important planning issues. CMDA in Calcutta was more successful because of its monopolistic control over all infrastructure planning and much of implementation (thus obviating the need for integrating different agencies), and because of its experiments with decentralised municipal implementation of projects. However, it did not concern itself with regional spatial and investment planning by bringing all agencies into the planning and development of the region, especially the municipal bodies with powerful elected executives. Thus, it appears that the neither the availability of statutory mandates, nor a high profile institutional structure is sufficient to enforce compliance with a metropolitan perspective and harmonised planning for agreed objectives.
State Level Arrangements for Coordination

The opportunity provided by the successive Central Schemes of Integrated Urban Development over 1974-79 for larger cities, or the Integrated Development of Small and Medium Towns (IDSMT) since 1979 (with modifications from time to time going up to the recent version) were not availed of by the state governments to create a durable framework for coordination of infrastructure planning and development by different agencies, or for establishing the primacy of the municipal bodies. The plans were largely prepared by the state town planning departments with only proforma consultation of the municipal agencies, and were treated by the state governments as a means of finance for implementing a variety of unrelated projects. The experience with the IDSMT in different states is mixed, and in a number of cities, there were implementation delays, funding and resource constraints, land acquisition problems, and failure to involve the local bodies and the beneficiaries. The quality of local coordination varied with the interest taken by the Collector.

Confusion was created by the decision of the state governments to transfer the responsibility for implementation of the project from one agency to the other (as, in the case of Karnataka, from the Town Planning Department, to the Director of Municipal Administration, or to operate, with divergent guidelines, similar infrastructure programmes by different state agencies (such as the case in Tamil Nadu, of the operation of IDSMT by the Director of Town planning, and the operation of schemes financed by the Municipal Development Fund through the project management Group for the World Bank Project). Even the responsibility for the coordination of the World Bank Urban development project was transferred midstream from the metropolitan authority to a newly created Project Management Group, and placed it outside the control of the line Department. The responsibility for the megacity project has been assigned to another new agency, even as the Sustainable Cities Project has been assigned to the metropolitan authority. The elective Madras Municipal Corporation is nowhere in the picture with a mandate for city planning, and it is difficult to say which agency has the mandate for coordination in Madras. The same confusion exists in Bangalore after the decision to vest the responsibility for the Megacities infrastructure project with the State Urban Infrastructure Development Corporation, along with the implementation of the ADB assisted project for the towns around Bangalore. The agency with the legal mandate for coordination in the metropole, namely the BDA, as well as the Municipal Corporation, have only project implementation roles.

Meanwhile, the state governments have been operating different limited schemes for infrastructure provision with different financial packages. Part of the problem has been the division of responsibility among two or more departments in the state secretariat, as in Tamil Nadu, Madhya Pradesh, West Bengal, and Andhra Pradesh for urban planning, infrastructure and municipal development, and the lack of coordination mechanism to bring them together. The task of coordination at the city level for urban development has devolved on the Collector by default, or kicked up to the state secretariat for conflict resolution on issues like the takeover of completed schemes. The responsibility for the monitoring of central and state schemes for urban development, including centrally sponsored schemes, is divided between the Directorate of Municipal Administration and the Directorate of Town Planning, and sometimes the funds are channelled through a state level corporation like the Urban Infrastructure Finance corporation as in Tamil Nadu. There is a division of responsibility between the Directorates and the state departments for the release of Plan and Non-Plan grants and loans, while the funds for water supply and sewerage are routed through the state level agencies in a number of states. The state
Directorates for planning or municipal administration and the functional agencies like the Urban Finance Corporations, are thinly represented at the district and municipal level, and are not able to provide much support services.

**Citizen Participation and Accountability**

In tune with global trends, the India policymakers and political representatives alike are becoming aware of the implications of political and financial decentralisation in urban government, in relation to the civic society at large. As a unit of government in the new Constitutional mandate, and as locally elected democratic body, the local bodies have to adjust to the concepts of public accountability and urban governance. Governance is increasingly seen in terms of, what Halfani and others (Halfani et al, 1994), the relationship between civic society and the state, between rulers and the ruled, the state and the society, the government and the governed. Questions are being asked about the nature of such relationships, and the role played by the private sector and voluntary and community-based organisations and associations in the management of cities. The Habitat II Agenda also stresses the concept of civil engagement, and the role of citizen groups and various non-governmental stakeholders in sustainable urban development.

Government is part of a complex network of interactions between institutions and groups, with the government at different levels being the visible part of governance. The concept of civic society is important as the urban government bodies seek to respond, on the one hand to the globalisation of city and national economies, deterritorialisation and dematerialisation of production, and, on the other hand, to the challenge of tackling growing poverty and deprivation, and the need for safety nets amidst the process of structural adjustment. The self-imposed segregation of the rich and the large industries impoverishes the city and reduces its capacity to maintain services. The exclusion of voluntary agencies and CBO’s undermines the importance of the complementary functions they do or can perform. If the urban services collapse, modern competitive industry and commerce cannot function efficiently, and there is no connecting basis for civic society, even as violence spreads out of frustration over declining opportunities for income and employment, power failure, poor transport, and lack of potable water and sanitation. There is social atomisation, characterised by individualism, insecurity and marginalisation of the poor, and social atomisation, featured by residential ghettos and slums, loss of public spaces, and public insecurity (all of which are seen in the Indian cities today). This underscores the need for popularly elected organs interfacing with different citizen groups on the basis of a shared vision of the city, and the incorporation of the disadvantaged by formal or informal means. The municipality is closest to the people in respect of various elements of day-to-day life, and it is this that justifies local self-government to the lowest level of decentralisation.

This points to the need to enhance the performance and accountability of public agencies in urban areas. Accountability means holding individuals and organisations responsible for performance measured as objectively as possible. It is both upward to the higher levels of government for the achievement of national and provincial economic and social goals, and downwards to the civic society and the electorate through transparent and people friendly systems of administration, dissemination of information and procedures to the public, participative provision of services, and the incorporation of voluntary agencies and citizen groups in the governance process.
If municipal accountability is to be related to its constituents, then the greater involvement of citizens in the activities of the municipal bodies is imperative. The existing municipal legislations, modelled on their 19th Century British counterparts, are woefully inadequate in ensuring electoral accountability, and, instead, revolve around the principal-agent relationship of the state governments and the municipal bodies. A shift away from the inter-governmental nature of municipal accountability to the constituency accountability (as distinct from the five yearly visits of the councillors for votes) would have far-reaching consequences for the functioning and effectiveness of municipalities. At present, the involvement of citizens in decision-making is almost nil, and their interaction with civic officials is largely restricted to pushing their individual cases or colony problems. 'City or Town hall' remains remote to most citizens. As the nature of civic services in most urban areas is such that the state and local agencies have a monopolist control, the citizens have no exit option. Added to this, the local service agencies are fragmented and overlapping, often without a popular base, with no coordination or single point of reference.

The expedients introduced by the governments in metropolitan cities like Delhi and Bangalore to overcome deficiencies of government without systemic reform have led to an extraordinary tangle of areas and authority, and a sense of confusion, incoherence and disharmony in the mind of the average citizen. As one writer exclaims: 'How can we expect to find in the minds of men and women that sense of identity on which the community is founded if we do nothing to develop and express it through appropriate institutions?'

Public accountability involves three groups of stakeholders. The public and the beneficiaries of services being the first group of stakeholders; the political leaders and the bureaucratic managers of the service providers (the secretariat departments) are the stakeholders whose objective is to ensure the accountability of the service providers for a mix of public policy goals and commercial viability (where relevant). The service providers (the municipal departments, the functional agencies, and the private sector agencies) form the third category of stakeholders with a different set of interests. The relative bargaining strength of the three sets of stakeholders will determine the final shape of public accountability, and hence the rules of interface between the different stakeholders need to be spelt out. As was stated in the British Citizen's Charter, this calls for: development of suitable incentive/penalty system for the municipality/service providers; facilitating alternative mechanisms, and public-private partnerships, for the public to exercise choice; evolving a transparent system of checks and balances to regulate the strategic behaviour of the stakeholders.

**Community Participation and Agitation, and Judicial Activism**

As the Task Force on Shelter (Planning Commission, 1983) stated, community participation is not a philosophical cliche; it is of critical material relevance. The National Housing policy (1992) and the various policy pronouncements by the Government emphasise the importance of community participation at all stages of the design, execution and maintenance of projects for shelter and urban services. At the political level, participation has to extend beyond periodic involvement in the election of councillors and legislators. It should provide mechanisms for the continuous involvement of all sections of the people in decision-making and service delivery, and for them to get information on all aspects of administration and procedures from the service providers, as the basis for meaningful participation. It is important also to distinguish community management of services and facilities, as envisaged in the Kerala UBSP activities in Alleppey,
from alternative forms of service provision through contracting out of services or activities, and also to believe that the two can go together (See Box).

**Box 1 : Municipal Involvement in Community Development Projects**

The case study cities present a varying picture of community participation and citizen initiatives, as described in the Annexure. Briefly, Visakhapatnam has been implementing the ODA slum Improvement project for the last seven years, in 198 slums covering a population of around 2.20 lakhs. There are significant examples of neighbourhood participation and management of community facilities, health care, nutrition, economic support activities etc., In Bangalore, a pilot project for poverty alleviation and locally managed slum improvement project has been in progress for over two years, with the managerial involvement of NGO's, but the project is yet to influence citywide initiatives, or the attitudes of different service agencies. Aurangabad has been operating the UCD project over a number of years, and has been organising a number of community based activities through local slum committees, but the programme is undermined by lack of decision on tenure security and from service agencies within and outside the Corporation. Mangalore has no significant urban basic services programme or community based initiatives to speak of. Even in Visakhapatnam, the ODA project has not got scaled up into a citywide citizen involvement in urban services, as pointed out by a number of local observers. This is seen from the limited success of the Nehru Rojgar yojana components, thanks to the exclusion of the UCD wing from shelter projects and training grants, and the poor cooperation of the corporation from the state housing agency.

The general impression received during discussions with citizen groups and the Press in the four cities was inadequate responsiveness of the public agencies, while dealing with the urban poor and disadvantaged groups, and in responding promptly to various grievances of the public. The extent of awareness of procedures and regulations was low, especially among the poor, and there was as yet no effective dissemination of information, or effort to simplify rules and regulations. The problems with getting building permits have been discussed separately. All the Municipal Corporations and public service agencies in the four cities have a system of receiving complaints at the ward level or in the head office, and of referring the complaints to the different service departments for necessary action. However, both the response time and the extent of redressal of the complaint was stated to be unsatisfactory. The failure to delegate powers effectively to the zonal staff, and the centralisation of most of the decisions on permits and redressal of grievances was stated to be one of the main reasons for this state of affairs, including the belief that problems can be solved only through speed money or access to the departmental head through a political leader. The better off sections, and the industrialists, made unproductive investments in sump, overhead tank, borewells, waterpumps, voltage stabiliser etc., even in authorised layouts, in order to compensate for the uncertainty and unreliability of public services. An infructuous cumulative investment of Rs.1000 crores in such assets is estimated to have been made by the residents of Bangalore.

In different cities, sectional interests of citizens are agitated through their associations, such as the associations of allottees of flats and plots of housing agencies such as MHADA, DDA and BDA to represent various grievances; or the flat owners associations seeking remedies under the
Apartment owners act; or the property owners agitating for reforms in valuation and taxation; or the tenants and landowners association agitating their respective interests under the Rent Control Act; or the tenants of government owned properties and slum clearance tenements; or the slum dwellers associations, now being networked through the National Slumdwellers Federation; or the collectives of poor women, starting from the Mahila Milans of Bombay, agitating for occupancy rights of pavement dwellers; or the unions of construction labour; or the occupants of unauthorised colonies as in Delhi, Bangalore and Aurangabad. The citizen groups are organised also for positive action such as city level savings groups of the poor and informal sector, slum collectives for relocation as in Delhi, women cooperatives for income generating activities or the network of resident associations in Madras and other cities for waste management. The cooperatives organised in a number of states such as Maharashtra (it is less popular in A.P. and Karnataka) for house construction and maintenance, including resource mobilisation and savings, form a distinct style of citizen action, albeit under the cooperative law.

The citizen groups do not stop with seeking administrative remedies. Official inaction has often provoked the citizen group to seek remedy from the higher Courts of Law through public interest petitions, and the High Courts and the Supreme Court have responded with landmark judgments to enforce the accountability of public agencies and government. This is evidenced in Delhi over the last three years by judgments on:

- people friendly and practical amendment to building bylaws;
- stringent action against unscrupulous builders and developers; protection of the ridge and greenspaces; shifting of the slaughterhouse;
- control of pollution from undischarged sewage and effluents, autoexhaust etc;
- making the city litterfree, and enforcing the maintenance of civic services;
- protection of monuments;
- demolition of unauthorised constructions and removal of encroachments, prosecution of officials colluding with the offending parties;
- enforcing proper procedures for amendments to Master plan;
- protection of slumdwellers against arbitrary eviction;
- protection of the clients of public housing agencies from arbitrary increase in the price of house and services, from poor quality construction etc., and enforcing early completion of delayed schemes;
- and prosecution of senior officials found guilty of violating the Court's orders.

Apart from this judicial activism, the citizens, in the role of consumers of services like housing, have the recourse of Consumer Protection Courts as well.

As the daily newspaper reports in a number of cities will show, the irate citizens do no longer accept with resignation civic inefficiency and arrogance, nor are content to follow orderly avenues of representation. They are also annoyed by the frequent interruptions in power supply and potable water, poor sanitation, potholes on the roads and manholes, excite the people to come out on the streets, hold up traffic, damage public property, and, on occasions assault the civic staff. This is aggravated by the growing violent streak in Indian society.

In a survey of slumdwellers in three cities including Bangalore(Bangalore 1993), it was found 55 to 71% had to make more than three visits to the agency to solve the problem, and only
40% expressed satisfaction with staff helpfulness or the time taken to attend to the problem. Supply shortages by themselves cannot explain the lack of responsiveness or the corruption reported in the agencies; withholding information and arbitrary procedures, staff attitudes, and lack of internal coordination were important. Water was withheld from many poor households for want of approval of layouts in Visakhapatnam. Some of the offices displayed useful information, and Press notes were issued on tax rates, application procedure for water connections etc., (MIDC office and CIDCO in Aurangabad have issued booklets for public information on building permissions etc.). However, the staff was reported to be lackadaisical about offering further guidance. The criteria and methods of property taxation, regularisation of unauthorised constructions, issue of lease deeds etc., were not clear, with the result these were popularly considered as negotiable with the concerned official. Even the annual reports of the agencies are considered confidential documents. Lack of information was stated to be a serious barrier to citizen participation and access to services and routine permits.

Some initiatives for citizen action have been taken in the four cities. The Vizag Corporation has been associated with the efforts of a citizen group for environmental preservation and better municipal services, and the University is providing intellectual inputs for studies. The CIVIC in Bangalore has mobilised local action for decentralisation of services, effective implementation of the 74th Amendment, review of the Development Plan, reform of systems and procedures, and the establishment of a transparent system of administration in various urban agencies. The BDA and BCC have offered to collaborate with the CIVIC and resident welfare associations under the banner of a programme called Swabhimana. Working groups have been formed with core resource persons, with official support, for working out the details of future action and needed reforms. There are already local initiatives for waste management and shelter assistance to the poor, and these are being integrated with the Bangalore Poverty alleviation project. More importantly, the Bangalore CIVIC has brought together all the NGO's, interested academic institutions, resource persons and various associations, in the endeavour to establish an interface with the public agencies. They are networking with similar groups such as the one in Mangalore.

**Urban Basic Services Strategy**

One area where the coordinated and responsive provision of infrastructure has been successful on an areal basis has been the Urban Basic Services Projects and Slum Upgradation projects in a number of cities like Visakhapatnam, Hyderabad and Alleppey. The recent Prime Minister's Integrated Urban Poverty Eradication programme builds on the city level coordinating mechanisms, neighbourhood community structures, interface with voluntary agencies and citizen groups, the convergence of sectoral programmes etc. that have been successfully demonstrated in these and other cities. It recognises that the sustainability of institutional structures is greater with the infusion of substantial funds, city level coverage of target groups and low income areas instead of pilot efforts, and by the involvement of elected Municipal Bodies and community organisations from the beginning.

The revised guidelines of the UBSP recommends the establishment of a city level Urban Poverty Eradication Fund by pooling different earmarked funds for the urban poor, as well as the funds from the central Scheme. (This has been operationalised with such a Fund at the city and national level under the recently introduced Prime Minister's urban poverty Eradication Fund, but it applies however only to towns with a population between 50,000 and 100,000, and it is left to the states to replicate the effort in other towns, including the integration with the urban infrastructure programme). This may be possible if the DUDA monitors the entire urban
development and poverty eradication effort in the district. Such an effort has been initiated by the Andhra Pradesh government as part of the proposal for a statewide urban poverty reduction with ODA assistance. A similar citywide poverty alleviation effort in Bangalore suffers from its perception as a pilot project, and the exclusion of traditional slum improvement agencies from direct implementation. The pattern of urban management, that will emerge from the recent decision for convergent urban poverty alleviation schemes in cities of all sizes, is unclear.

**Insularity of Central Government Agencies**

As noted by the NCU, the problem of urban management is compounded by the coexistence of a number of landowning agencies of the Central Government in bigger cities, such as the Port Trust, Defence, Railways, International Airports Authority, steel townships etc., which tend to operate independently of the city planning system and long term infrastructure planning, and also seek to develop captive service provision for their own needs and the needs of the units located within their jurisdiction. As has been noticed in Visakhapatnam, these agencies do not also defer to the Local Planning authority. A Corporation under the Railways, constructed a large Container Terminal in Delhi, in violation of the Master Plan, and invoked the plea of immunity from local planning controls. At the same time, these Central agencies also often allow slums to come up on their vacant lands, but are reluctant to permit the provision of basic services to the slum dwellers, or undertake in situ redevelopment of the slums. All this calls for consensus exercises between Central Government agencies and the local Planning authority in different cities, within agreed guidelines set by the Central and state governments.

While the central agencies and statutory bodies manage their own services and housing estates, often with greater efficiency and better standards than the rest of the city, there are problems of prorata contribution to the augmentation of trunk infrastructure, and even of payment of municipal taxes on par with the other tax payers (the Vizag steel plant invoked the Constitutional Provision exempting the central government properties from local taxation). The demand for subjecting the Central Government agencies to local taxation is bound to gather, in view of strident calls for greater powers to the states after the recent General Election. The townships of the Central public Sector undertakings, in any case, will have to be incorporated in the local municipal councils, under the new Constitutional dispensation, without seeking any exemption in the name of industrial townships.

The Cantonment Boards in different states and the industrial townships like the HAL Sanitary Board in Bangalore, or the Vizag Port Trust, generally manage all the civic services including the water distribution system and recover the taxes/service charges within their jurisdiction from their consumers. They often buy bulk water from the Municipal body or the state agencies, as in Aurangabad, and discharge their sewage in the municipal trunk system. They also rely on the State electricity grid for their power supply. The Boards are, however, outside the control of state governments, or their Planning Authorities, and the compliance of the Boards with the requirements of the City and Regional Plan, is entirely on a voluntary basis. Consensual efforts are being made in a number of cities for the Cantonment Boards to agree to abide by the regional land use provisions, and the needs of regional trunk infrastructure and waste disposal, in return for being considered eligible for state assistance for urban development under various ongoing schemes.
Implications of the 74th Constitutional Amendment

The 74th Constitutional Amendment came into force in June 1992 as a culmination of initiatives over 5 years by the Government of India, orchestrated through a number of consultations with the state governments and the local bodies. It aims to accord a Constitutional status to municipal governments in India for initiating a process of democratic decentralisation. The Statement of Objects and Reasons published with the Bill at the time of its introduction in Parliament stated that:

"In many states, local bodies have become weak and ineffective on account of a variety of reasons, including the failure to hold regular elections, prolonged supersession and inadequate devolution of powers and functions. As a result, urban local bodies are not able to perform effectively as vibrant democratic units of self government."

The 73rd Amendment was passed at the same time in order to accord a similar Constitutional status to the rural local bodies (panchayats).

At this stage, it is worth quoting from the Seventh Five Year Plan Document on the parlous state of the urban local bodies, which also inspired the Government to initiate serious reform of local government:

"The state of most of urban areas in this respect (in respect of the minimum of basic services) is far from satisfactory; in fact, in general, the picture is extremely bad. Many of the municipal bodies have undeveloped and/or eroded tax systems and suffer from lack of capital funds for development. The services, if provided, have deteriorated over the years, and there seems no sign of reversal. overcrowded and underserviced, an increasing proportion and area of urban conglomerations are being turned into slums."

The 74th Amendment provided for

- regular and fair conduct of elections to urban local bodies by statutorily constituted State Election commissions;
- territorial jurisdiction of municipalities by newly defined criteria, designated as nagar panchayats, municipal councils (for the smaller urban area), and the Municipal corporations (for the larger urban area);
- adequate representation to women and weaker sections of society in municipal bodies and Wards Committees and in the offices of chairpersons of these bodies through reservation of seats;
- Constitution of Wards Committees in municipalities with a population of three lakhs or more (with the scope for such committees in smaller cities also), in order to ensure popular participation in civic affairs at the grassroot level;
- specification, by law, through the state legislatures, of the powers and functional responsibilities to be entrusted to the Municipal bodies and various committees;
- specification through state laws, of the provisions for the mobilisation of local finances through taxes and revenue sharing and assignment, and the statutory appointment of State Finance commissions every five years, for reviewing the financial position of the local bodies, and for making recommendations on local taxes, and transfers by way of assigned taxes, tolls and duties as well as grants-in-aid;
provisions for setting up committees, with predominant composition of elected representatives, for comprehensive district planning and metropolitan planning, by integrating the plans of the urban and rural areas;

- limiting the state power for dissolution of local bodies;

A meeting of the Central Council of state Ministers of Local Government and Urban Development was held in May 1994, and passed various Resolutions for effective followup action in respect of conforming amendments to relevant state laws, protection of the weaker sections, municipal finances, institutional arrangements, training and human resource development, etc.,

Under the recently enacted Article 243 W of the Constitution, the State Legislature may by law endow

The Municipalities with such powers and authority as may be necessary to enable them to function as institutions of self government, and such law may contain provisions for the devolution of powers and responsibilities upon Municipalities, subject to such conditions as may be specified therein, with respect to

i) the preparation of plans for economic development and social justice;

ii) the performance of functions and the implementation of schemes as may be entrusted to them including those in relation to matters listed in the Twelfth Schedule;

b) the Committees with such powers and authority as may be necessary to enable them to carry out the responsibilities conferred upon them including those in relation to matters listed in the 12th Schedule.

The newly inserted 12th Schedule lists the following functions:

1. Urban Planning including town planning
2. Regulation of land use and construction of buildings
3. Planning for economic and social development
4. Roads and bridges
5. Water supply for domestic, industrial and commercial purposes
6. Public health, sanitation, conservancy and solid waste management
7. Fire services
8. Urban forestry, protection of the environment, and promotion of ecological aspects
9. Safeguarding the interests of economically weaker sections of society, including the handicapped and the mentally retarded
10. Slum Improvement and upgradation
11. Urban poverty alleviation
12. Provision of urban amenities and facilities such as parks, gardens, playgrounds
13. Promotion of cultural, educational and aesthetic aspects
14. Burials and burial grounds, cremations, cremation grounds and electric crematoria;
15. Cattle pounds; prevention of cruelty to animals
16. Vital statistics including registration of births and deaths;
17. Public amenities including street lighting, parking lots, bus stops and public conveniences
18. Regulation of slaughter houses and tanneries
The 12th Schedule seeks to widen the municipal operative sphere into four new areas: economic and social planning; care of the weaker sections; urban poverty alleviation; and protection of the environment. On the other hand, the municipalities are not being encouraged to widen their human development activities such as primary health care, nutrition, elementary and primary education, and personal social services.

All the state Legislatures have passed conforming legislations in order to implement the Constitutional Amendment, though the exercise has been perfunctory in a number of cases. Maharashtra undertook the most comprehensive amendments to municipal laws, in respect of functions of the municipal body and the Wards Committees, annual reports on environment and the extent of subsidisation of services, and the constitution of district committees. On the other hand, Andhra Pradesh did not touch the existing functions at all, and did not allow citizen participation in the Wards Committees. Karnataka left urban planning out of the municipal sphere, and took no action to delineate the functions of Wards Committees.

**Planning Committees under the Constitution**

In due recognition of the importance of integrated areal planning at the district and metropolitan level subsuming all the elected local bodies, and in further recognition of the experiments for district planning in the country, the 74th Amendment has provided for the obligatory constitution of District Planning Committees (DPC) and Metropolitan Planning Committees (MPC). There is a larger proportionate representation of the elected representatives on these Committees. Along with this, the concept of planning has been broadened beyond traditional land use to cover the planning of physical and natural resources, infrastructure development, and environmental conservation. In the case study cities, Bangalore metropolitan area would be the object of a MPC (which is yet to be constituted), while the others would be covered by the DPC for the respective districts through a plan encompassing the plans of all the urban and rural local bodies. The conforming laws have merely repeated the Constitutional provisions, without examining the issues of the consistency of the plans with present land use plans, the effective implementation and financing of the new plans, the agency responsible for coordination etc.,

It is recognised that the conventional town planning expertise, or even the expertise of the metropolitan and planning authorities, will prove inadequate for the task of preparing these plans, and that these plans will have to be built into the state planning exercise for any meaningful implementation. West Bengal has enacted separate laws of these Committees for existing planning and development agencies in the state. If the planning exercise under the 74th Amendment is translated into additional revenue responsibilities for the urban local bodies, then the fiscal gap will further be aggravated. This lends greater force to what has been suggested by the 1983 Task Force on Urban Finances that the logic of fiscal autonomy will then have to be carried out through integration of municipal and state plans and predictable devolutions to local bodies.

**Environmental Management**

Another important area, of particular importance after the UNCED 1992 and the subscription of the Government of India to Agenda 21, is the role of municipal bodies in environmental management. The environmental implications of the location of large industrial units within and around bigger cities are burning issues concerning the municipal bodies and state regulatory agencies, as is the issue of integrating the effluent disposal of polluting industrial
and commercial units with the municipal waste water systems. The Mangalore municipal Corporation has a legitimate role to play in arresting the pollution from the large refinery and in the implementation of the coastal area development plan. Visakhapatnam corporation is concerned with arresting the pollution of coastal waters and in the planning of tourism complexes along the coast. The peripheral role of the Bangalore Corporation in environmental controls in the city has to be expanded.

**Implications of Privatisation**

In a context of general belief that all the listed functions can only be performed by public and municipal agencies, including the development of Master Plan reservations, this can only aggravate the municipal fiscal gap, apart from liability for judicial directions for the performance of the new obligatory functions. Barring Maharashtra, the other states have not addressed the need for legal provisions to lay down alternative mechanisms to produce and deliver infrastructure and urban services, and choosing the most appropriate delivery mechanisms, and for public-private partnerships, despite the parallel efforts in this regard in the general economy in sectors like power and telecommunications.

There is a growing tendency among city agencies to manage urban infrastructure services and facilities, by utilising the private and community sector. These cover the areas of sanitation and public health; solid waste management; maintenance of water supply systems, meterreading and billing; roads and streets (maintenance and street lighting); tax collection including octroi collection, parking lots fees etc, maintenance of parks, traffic islands; bus terminals, ward security, market development, vehicle maintenance, libraries etc., BOT projects have been experimented for the Panvel bypass, garbage resource recovery in Bombay and Pune (Maharashtra), solid waste by cooperatives in Baroda; bridges and ring road construction in Madras and other cities of Tamil Nadu, garbage resource recovery and waste water recycling in Madras; light rail transit and bulk water supply in Hyderabad; link road in Madhya Pradesh (Pitampur) with privately placed bonds; link bridge and privatised routes in Delhi. The citywide examples are noted in the Appendix.

Some of the industrial development projects involve the execution of water supply and sewerage services as part of the total project. Housing projects by private developers also sometimes includes the execution of all the captive services and community facilities, the outstanding examples being developments on the periphery of Delhi. The development of Walunj township near Aurangabad by CIDCO involves innovative arrangements for participative development by the landowners of both housing and community facilities. BOT arrangements for mass transit are being tried out in a number of big cities such as the Bangalore Mass transit project (award of DPR under finalisation), Madras light rail project, the Delhi RTS, and the Hyderabad Light Rail Transit. The bridge across the Yamuna in Delhi and the Panvel bypass in Maharashtra are being tied up for private investment and execution by the Infrastructure Leasing and Finance Services Ltd., (ILFS), a joint sector agency.

The USAID assisted programme called the Financial Institutions Expansion and Reform (FIRE) aims to encourage the commercialisation of urban infrastructure, promotion of public private partnerships, and the facilitation of access to capital markets for municipal debt instruments. The first project to be supported under the FIRE would be the urban infrastructure project through a joint sector agency with the equity also of the industrial consumers. The floating of revenue bonds on the American model is seen as having a lot of potential to access
capital market funds, provided a number of institutional reforms, legal changes, and fiscal incentives are in place.

The contracting of services in CIDCO areas in Maharashtra and in Rajkot (Gujarat) is reported to have resulted in savings to the authorities, apart from leading to consumer satisfaction from good quality services, and avoidance of excess recruitment of staff and recurring expenditure on salaries and staff benefits. The entire conservancy operations in the 7 nodes of New Bombay is believed to result in an annual saving of Rs. 42 lakhs. The maintenance of sewage pumping stations and water lines by contractors not only leads to savings of 50% of the normal cost, but has avoided the need for new recruitment. The development of parks and gardens by the companies and social institutions has led to clear savings of Rs. 10 to 15 lakhs per garden, and has led to more aesthetic landscape. The entrusting of educational facilities in CIDCO lands and buildings to reputed institutions has led to better education and saving on establishment. The contracting of collection of water and service charges to resident associations and contractors has pushed up collections and led to responsive recovery. The recovery of resources from land development by a differentiated costing system, and using this to finance infrastructure, the involvement of private sector in house construction and project management, combining commercial exploitation of railway stations for financing railway costs, productive use of effluents etc., have been other striking examples. In Rajkot, contracting of services led to savings on over 700 posts, and financial savings of Rs. 3 lakhs for four wards, Rs. 10 lakhs on maintenance of latrines and streetlights, Rs. 12000 per day on garbage transport, and Rs. 8.64 lakhs on maintenance of gardens. Rajkot also entrusted solid waste removal to cooperative resident societies.

However, privatisation is yet to become a widespread option in the case study states and the cities, and elsewhere. Some of the city officials have nagging doubts about possible Court objections to contracting of obligatory services for which permanent municipal staff is available, and the opposition from the labour unions. The latter has already become a serious issue in places like Baroda and Bombay. There is little preparation, or expertise for, the proper costing of services to be contracted out, the specifications and tender formats, systems of evaluation, steps to ensure the entry of adequate number of qualified contractors, keeping in place alternate arrangements for service delivery in case of defaults, avoiding exploitative practices by the contractor vis a vis the consumers and the labour.

The involvement of the private sector in the financing of urban infrastructure is still not as popular with the organised sector as in the case of toll roads, telecommunications and power, because of the perceived problems of cost recovery and viable user charges, the credibility of the municipalities as collaborating agencies, and the lumpy investment.

It is important to note the reasons behind the success of the CIDCO and Rajkot experiments to note the constraints in the case study cities:

- the availability of enabling legal provisions in the contracting authority (CIDCO was fortunate in its company structure, while Rajkot interpreted the provisions of the Municipal Act skilfully for its purpose);
- the correct estimation of costs to avoid exploitation by the private contractor (both CIDCO and Rajkot estimated the costs by thumb rule costing techniques);
- the muted or no opposition from political leadership and the unions, or efforts to persuade them by positive leadership;
• the building up of private sector capacity to prevent monopolies and poor quality execution;
• avoiding the entrustment of the entire city for contracting to prevent the emergence of monopoly situation an customer inconvenience;
• the provision for Labour Act provisions in the contract to allow for minimum wages, provident fund etc., as well as conformity to the Consumer Protection Act because of the vicarious responsibility of the corporation;
• the devising of sound tender documents and specifications, allowing for local circumstances, such as the preference for the Project Displaced persons in the CIDCO contracts; and
• building up of staff capacity to float tenders and manage contractors.

Other Forms of Partnership

Privatisation is increasingly being interpreted, as did the World Bank Development Report of 1994, to subsume both the commercial sector and the community groups/NGO’s. The local services in a number of cities are being managed by the resident welfare associations, as in the case of garbage collection in Madras, Bangalore, Ahmedabad and Hyderabad, or the management of community facilities like the balwadis and community halls in new Bombay, Visakhapatnam, Indore, Vijayawada and Hyderabad is entrusted to community associations. This leads to more responsive delivery of services, and community contribution for the services.

The various Ministries of the Government of India in the social sector encourage the delivery of programmes through voluntary agencies, illustrations being the Integrated Child Development Project (Indore project is run entirely by a voluntary agency), the India Population project, day care centres, Income generating schemes and credit for women, rehabilitation of street children, mass literacy campaign, low cost sanitation, environmental protection and waste disposal. All these programmes emphasise the convergence of different field agencies, and community participation, in order to ensure the optimum impact on the living quality of the beneficiaries.

The Kerala Government has encouraged the establishment of neighbourhood groups and area development societies, composed of poor urban women, with their own independent Budget, for the management of various economic and social programmes, and even for community contracts. Their project in Alleppey has been hailed as a success. In a big city like Bombay, the major thrust of the NGO’s has been assistance for the poor and environmental issues, and they are involved in varied activities like generating public awareness for improving the environment, educating the public on environmental and heritage issues, helping slum and pavement dwellers against forced eviction, helping slum dwellers and pavements organise into cooperatives and savings groups, helping outreach health facilities, waste management, etc., and the recent major initiative has been for the NGO’s and the corporate sector to come together for developing a new vision of the city through Bombay First. On the other hand, Dharavi slum in Bombay with over 50,000 households is a striking instance of slum neighbourhoods federated into a democratic collective.

Budgets and Facilities

The Fiscal Gap

The study of National Institute of Urban affairs (NIUA) (NIUA, 1983) estimated the current revenues of the municipalities in 1979-80 at Rs.850.7 crores, while the current expenditure was Rs. 756.60 crores. The capital expenditure was estimated at Rs.245.60 crores (1 crore = 10
The income of the municipalities is estimated by the National Institute of Public Finance and Policy (NIPFP) (NIPFP, 1995) in 1994 to be Rs.3900 crores or 4.6% of the total Central, State and local government revenues. The study estimates the revenue income potential of local authorities for 2001 to be Rs.11907 crores, and an expenditure of Rs.7463 crores for administration and Rs.2213 crores for core services, yielding a surplus of Rs.2231 crores. The capital expenditure for 2001 is however estimated to be Rs.10024 crores, yielding a deficit of Rs.7793 crores including depreciation (or Rs.6040 crores without depreciation). The per capita revenue and expenditure in 1983-84 for Class I Municipalities was estimated by NIUA to be Rs. 322 and 279 respectively.

In the study of the nature and dimensions of the urban fiscal crisis, (NIUA 87), NIUA concludes that the finances of the municipalities are very weak, and are deteriorating over the years. While the growth of municipal income was tardy, a mere 9.2% in a span of four years preceding the study, the municipal expenditures recorded an extraordinary growth of 56.2% over the same period, resulting in a serious resource gap. Due to increase in population and inflation, there was an absolute decline in real per capita incomes of urban local bodies, from Rs.128 to 125.

The 1995 NIPFP study shows that there is wide variation in the levels of income and expenditure of urban local bodies across the states, and within the same size class in the same state or across the states. Often the lowest level of own revenues in a town in a size class in a better off state like Maharashtra is higher than the highest in the size group in another state like A.P. because of differential access to revenue sources. The proportion of own revenues to revenue expenditures was the lowest in A.P., at less than 60% in A.P., as against over 90% in Maharashtra. Despite this, the report of the Maharashtra Government to the State Finance Commission shows that most of the municipalities, including the case study city of Aurangabad, recorded revenue expenditures in excess of incomes, and capital funds were often required to be diverted to meet current expenditure. Both Mangalore and Aurangabad incurred a large deficit in the operation of water supply and sewerage. The smaller municipalities were worse affected, with a decline in per capita incomes, and inability to step up levels of expenditure appreciably.

Unlike the Karnataka Corporations, the corporations in Maharashtra and A.P. incur large expenditures from their own budget for agency responsibilities like primary education. Aurangabad incurred a large deficit of Rs.290 lakhs for the provision of primary education, as it received a grant of only Rs.206 lakhs from the government and other sources; on the same account, VMC incurred a deficit of Rs.32 lakhs without accounting for budgeted expenditure on school facilities.

The Memorandum of the Maharashtra Government to the State Finance Commission indicates the items of priority capital expenditure as:

- potable water supply; sewerage and storm water drainage; solid waste collection, storage and disposal; improvement and widening of existing roads, and essential new roads; parking places; repairs to existing school buildings and new school buildings; preventive and primary health care; upgradation of slums and low income settlements; markets; streamlining revenue collection, computerisation of records, and improved valuation; repayment of loans.

It also refers to the additional duties devolving on the municipal bodies, such as environmental preservation, tree plantation, calamity relief and epidemic control, for which no funds are made available by the government. Significantly the state government also refers to the
impact of industrial growth and increased commercial and trading activity on the concerned or contiguous local body, as well as the additional demands on transportation, road maintenance, educational needs, health care, sanitation, garbage removal and disposal of hazardous wastes, streetlighting, demand for recreational facilities, the rapid growth of slums, and unauthorised constructions etc... All these demands drain the municipal exchequer, without any corresponding increase in resources or contribution from the enterprises and activities generating these new demands.

The resource gaps estimated in recent exercises made by NIPFP and NIUA show the magnitude of additional resource mobilisation merely for adequate maintenance of services, assuming effective action at city level for equitable distribution of services to different areas and sections of population. This is on top of the assessment made by expert bodies like the NIUA that the urban local bodies would require, over 1996-2001, an investment in basic infrastructure and services, ranging from (depending on the investment norms adopted) Rs. 29337 crores to Rs. 44138 crores. Andhra Pradesh would thus be required to make an annual investment over the period 1996-2001, amounting to Rs. 491 crores for additional investment and Rs. 685 crores for O&M. Similar figures for Karnataka are Rs. 318 crores and Rs. 599 crores, and for Maharashtra, Rs. 793 crores and Rs. 2880 crores. As against these massive needs, the estimated annual availability of resources for urban infrastructure at present from Central and State Plans, allocations by HUDCO and LIC, and disbursements under the World Bank projects, together amount to no more than Rs. 2000 crores. This indicates the level of huge additional resource mobilisation that different urban local bodies and specialised agencies have to undertake, and the importance of economical service norms, as well as cost-effective implementation of projects with scarce resources.

Service Deficiencies

It is necessary to juxtapose with the deficiencies in maintenance expenditure and budgetary gaps, the service deficiencies and wide variations in service coverage across different parts of the same city. This is in addition to the conscious decision to exclude certain low-income areas of the city by virtue of their being unauthorised settlements, as seen in Delhi and a number of other large cities.

The percentage of households covered by safe drinking water in 1992 was 78% in A.P., 96% in Karnataka and 985 in Maharashtra, but this hides, as we see from a study of the case cities, inadequate supplywide intercity variations and uncovered population, irregularity and inconvenience of supply, and quality deficiencies. There are high system losses or unaccounted for Water, ranging from 20 to 40% in most cities, due to old pipe lines, poor quality of materials, poor operation and maintenance, unauthorised tapping etc., Water supply is often prone to contamination on account of corroded and old pipes, proximity of sewers, and groundwater leachage, as was the case in the case of the gastro-epidemic in Delhi in 1988. 31% of the urban households did not have toilet facilities, and, of those with the facility, 24% had dry latrines. There were large numbers of latrines, even in the bigger cities, serviced manually by scavengers. The coverage by sewers is very low, and treatment is deficient. Coupled with the open drains and the dumping of solid waste, the raw sewage finds its way into surface and groundwater sources. The areas populated by the urban poor suffered greater deficiencies in water supply and sanitation. The collection efficiency of around 68% in for solid waste in Bangalore is typical for
most cities, with a number of areas not covered by daily collection, and the further risks of contamination of hospital and hazardous waste.

The per capita length in metres of road is quite low, such as 0.68 m. in Bangalore, and 0.40 in Pune. Coupled with congestion on the roads due to low road length and poor traffic management, the poor repair and maintenance of the roads, overlapping schedules of the road digging works of different utilities, the proportion of kuchta roads, and the ravages of monsoon, the problem is daunting. The deficiency in streetlighting can be gauged with reference to the standard distance of 30 metres. The distance was more than this distance in the case study cities, such as 105 metres in Bangalore. This is apart from the problem of proper working of lights.

Accounts and Budgeting

The Municipal laws contain provisions relating to Budgets, accounts and audit, but there are serious deficiencies in the existing systems of preparation of Budget, maintenance of accounts, expenditure control, costing of services and levy of user charges, and audit. The Budget has been historically evolved as a tool of legislative and executive control for ensuring the legality of expenditure, and the observance of sanctions and regulations by the spending authorities. In the context of the 4th Amendment, the Budget has to become an instrument for enabling the urban local bodies to achieve economic development and social justice on the one hand, and to ensure an effective use of funds devoted by the Government for discharging the assigned functions. Its role has also become critical in view of the decreasing availability of mandated allocations, and the need to access the financial institutions and the capital market for capital works on the basis of rating criteria applicable to corporate enterprise. Financial reform of the municipalities is seen as beginning with the Budget, and the personnel connected with accounts and audit.

As a part of the centralised system of financial control, the British government had introduced the line-item (objective classification) budgeting system in India, as it served the purposes of financial accountability and tight control over expenditure on salaries, wages, travel, machinery and equipments, materials etc., The system continued to be followed by the Central and state governments upto 1968, till they started the shift to performance budgeting, and also started experimenting with P.P.B.S., and zero-based budgeting. The municipal governments have naturally followed the line item budget, and the budgetary reforms in the Central government passed them by, except where, as in Baroda and Madras, serious attempts have been made to undertake budgetary reform.

The municipal legislations in the case study states do not prescribe the budgetary process, as it is left to the state Finance Department to prescribe. Unlike Maharashtra and Andhra pradesh, Karnataka does not even have an exclusive Municipal Accounts Code and the local bodies follow the State Accounts Code. The Accounts Department prepares the entire Budget in the prescribed format. The budgetary planning exercise starts usually around October of the current financial year, and the different departments are asked to submit their forecasts of revenue realisation or expenditure for the remaining part of the year and for the coming year. These forecasts are based on the figures of the present and past year. the requirements of the departments and estimates of receipts are compiled by the Accounts Department, and then the taxation proposals are drafted by the Accounts Officer and the Commissioner in order to bridge the budgetary deficit. All this process usually takes three months, and the Commissioner presents the Draft Budget to the Standing Committee in early January. The Budget document is reviewed
by the Standing Committee, and it forwards the document to the Corporation after making
modifications in expenditure and receipts, as well as taxation proposals, at its level. The
Corporation approves the Budget with or without changes at its level in February, and the Budget
comes into effect from 1st April. In the case of Municipalities, there is the further requirement, in
a number of states, of approval by the Collector or the Director of Municipal Administration.

The Budget is presented under three heads, namely

- **Revenue Income and Expenditure Budget**: The income includes revenue incomes like
  octroi (only in octroi levying states like Maharashtra), property tax, tax on
  advertisement and trades, and other taxes, various non-tax incomes, assigned
  revenues and Government grants, capital incomes like sale of land and development
  charges. The expenditure includes all items of establishment and expenses repair and
  maintenance of materials of different departments, grouped, for example, in
  Aurangabad, under general administration, public health and convenience, public
  safety and general education; contingencies, loan interest and repayment; and in some
  cities, expenditure on new works also; The receipt and expenditure sides are divided
  into major heads and subheads to indicate the objectwise classification of expenditure;

- **Loan Budget**: This is divided as per source of loan like the Government, open market
  borrowings, financial institutions and commercial banks; under each of these items,
  the development works financed by these loan sources were shown; it is neither line
  item budget or a PPBS;

- **Suspense Accounts Budget or the Budget for Deposits and Advances provided single
  item en bloc estimates of receipts and outflows**

In the case study cities, there were variations of this broad picture. Since 1994-95, as per the
amended Act, the Municipal Corporations are required to present the receipts and expenditure for
the water supply and sewerage division separately under a C Budget, broken up into various
items including loan repayment. However, there is no separate budget for capital receipts but a
separate budget for capital works, other than under the C Budget, financed out of different
sources. The other three cities in the case study depict the budget as Receipts and Expenditure,
and break up the receipts under tax and non-tax revenues, loans, grants, advances and deposits.
The expenditure is also composed of various items of revenue and capital expenditure shown
separately. Visakhapatnam shows the expenditure for different services separately. It also depicts
different subsidiary accounts such as the General Account, Lighting Account, Elementary
Education, Water Supply and Drainage, Town Planning, Deposits and Advances, and
Endowment. the transfers from the General Account to the Subsidiary Accounts sometimes lead
to double counting. Aurangabad shows the contribution for different obligatory Funds and
repayment of loans under Contingencies, without a detailed breakup of principal and interest.
The other three Corporations do not show principal and interest repayment separately except for
HUDCO loan.

It is worth noting, in the context of further amendments to municipal laws, the provision in
the Calcutta municipal Corporation act, 1980, for a Municipal Accounts Committee on the lines
of the public Accounts Committee in Parliament and state legislatures. The Committee consists
of five to seven Councillors (not being members of the Mayor-in-Council), and two persons
having knowledge and experience in financial matters (not being councillors or employees of the
Corporation). The Committee is required to examine the annual financial accounts of the Corporation, scrutinise the report of the auditors with reference to the authority for expenditure, undertake special audit on various matters etc., The Controller of Municipal Finance and the Municipal Chief Auditor are both officers specified in the Act, who would be appointed by the Government on the basis of the recommendation of a selection committee headed by the Mayor.

Financial Control and Audit

In theory, the machinery of financial control operates a) through the power of higher authorities to sanction municipal budgets or authorise expenditure beyond certain limits, or b) through the appointment of internal and external auditors. The first measure operates mainly to create delays in sanction of works and proposals, as the state government has little time or adequate and capable machinery to scrutinise technical proposals. It would be better to rely on codification of financial rules and regulations, and expenditure norms, and enforce proper regulatory audit, rather than insist on itemwise approval of expenditure sanctions.

The Auditing systems in the Municipal Councils are usually based on external audit by the State Director or Controller of local Fund Audit. In Maharashtra, this is undertaken under a 1930 legislation. The Corporations are usually subject to internal audit by the Municipal Chief Auditor, appointed by the Municipal Corporation as in Aurangabad, or deputed from the State Accounts cadre as in Karnataka. He is expected to function as a watchdog, not as a bloodhound. He is normally supervised by the Standing Committee outside the control of the Commissioner. In Delhi, he is under the control of the Commissioner. The 74th Amendment provides for the state Legislatures to enact provisions for the audit of municipal accounts. The Chief Auditor is required to report to the Standing Committee, under the BPMC Act, any material impropriety or irregularity in the expenditure or recovery of money. He also submits monthly reports of audit to the Standing Committee. The Chief Auditor in Visakhapatnam undertakes only expenditure audit, while the state Audit department undertakes receipts audit. Sample audit of expenditure out of funds received from state and central governments is undertaken by the Accountant General(AG). The A.G. may also undertake the full audit of a Corporation accounts on the request of a state government, as in the case of West Bengal and Bihar.

The Maharashtra Government memorandum points out that, for the municipal councils, internal audit is carried out by the municipal staff only. The audit by the Local Fund Audit department is not done annually, but generally once in three or four years. Sometimes, audit is not done even after eight years. The state government advocates a system of proper budgeting, advance planning, regular annual audit, and strict adherence to budget provisions. The Municipal Chief Auditors in the Corporations are cynical about the impact of their audit, or the interest of the Standing Committee in ensuring the followup of audit reports. The combination of legislative and executive powers in the Standing committee makes it difficult for it to function inquisitorially. The separation of the policymaking and executive functions in the Corporation (except for West Bengal and Kerala) makes it difficult for the executive to accommodate a municipal appointee as auditor, answerable to the elected body. Some Municipal Chief Auditors are known to have helped in sharpening the conflicts between the Commissioner and the Standing Committee.

Unlike the audit report of the Local Fund Audit for municipal councils (though often belated) which are reviewed by the designated government authorities for compliance and surcharging, the audit objections are not reviewed outside the Corporation. It was noticed in the
case of Aurangabad that some serious objections relating to tenders, faulty assessment, and procurement remained unattended. Sometimes, the Chief Auditors work closely with the Commissioners in the observance of financial control and in checking violations by the elected body and the departments. At the same time, the retention of the provision for surcharge on municipal officers in some states is not in tune with the principle of fiscal autonomy, and gives the auditor the power of a prosecutor. The interchanging of the accounts and audit personnel from the common state cadre, as in Karnataka, is a good arrangement in this context.

Internal audit is expected to ensure that the accounting system gives accurate information to the management and elected councillors. External audit is expected to present a true and fair view of the local body's financial status; the latter's responsibility is to the Government and the intending lenders to the local body. The A.G.'s report, as in the case of Calcutta or Delhi Municipal Corporation, is thorough in accordance with the audit guidelines of C.A.G. of India, and deals with both regulatory audit and efficiency or performance and cost audit. However, the Municipal Audit is confined to regulatory and proprietary aspects partly on account of the limited expertise and exposure of the Audit wing, as well as the structure of the present Budget. With a shift to accrual based accounts and performance budgeting, it would be possible to shift to performance budget-based audit and efficiency/cost audit.

A beginning has been made in some corporations with general service-wise and specific Project costing systems, as in the case of Baroda with consultant help, and for the incorporation of a separate budget for water supply and sewerage as in Maharashtra. The requirement of the presentation of an annual statement to the elected body by the Municipal Commissioner about the subsidy in the provision of different services, and the justification therefor, will oblige the Corporation to estimate accurately the revenues and costs associated with different services, and their productivity. All this will of course call for significant upgrading of audit and accounting skills.

Service Structure, Staff and Skills

The question of municipal organisation is not dealt with in the 74th Amendment, but it is dealt with comprehensively in the provisions of the Municipal legislation and Rules thereunder in different states.

Organisation of Services and Cadres

One of the determinants of executive capacity of urban government is the ability to employ professional and technical staff, adequate to the tasks of urban management and decentralisation of services and resources. This in turn depends on the general supply of skilled personnel, the competitive nature of municipal salaries and career prospects, and the satisfactions or frustrations arising from the range of tasks of the municipal authority and its general working environment. The organisation of municipal services is part of the larger structure of state control over urban local bodies. There are different bases for municipal services in India:

- employment by individual local authorities, subject to stipulations regarding recruitment and qualifications; (this is largely true of Maharashtra Corporations, except for prescribed posts in the Act, and subject to control on the creation of posts)
- unified municipal service for various designated posts, with detailed prescription of criteria for recruitment and promotion (as in the case of Karnataka, separately for the Corporations and the municipal councils, or with Kerala, Rajasthan, Uttar Pradesh
and Tamil Nadu, or state appointed cadres of Executive officers, engineers, health officers, and accounts officers)

- integrated service for state and municipal service (as in the case of public health and municipal engineering in A.P., and the posting of deputed officials for engineering, accounts and other posts in Karnataka;

In actual practice, there is a mixture of service bases, with part of services under the control of the state government in varying degrees, and lower level posts subject to appointment by the Corporation. Under the Hyderabad Municipal Corporations Act, there are officers besides the Commissioner who shall be appointed by the state government, such as the Deputy and Additional Commissioners, City Engineer, Medical officer of health, municipal Examiner of Accounts and Municipal Secretary. The Act provides for a Local Government Service consisting of officers and employees of the Corporation who hold any of the posts specified in Schedule C to the Act.

As in a number of other matters, there are innovative provisions in the Calcutta municipal Corporation Act, 1980 relating to municipal services. (the state government itself has encadred the posts of the Municipal Commissioner, engineer, health officer and the Municipal Accountant, but has not been able to operate it effectively because of the decision to fill up these posts largely from out of retired personnel on contract.) The Corporation is required to constitute a Municipal Service Commission, consisting of a Chairman and two members, of whom the Chairman and one member shall be nominated by the Corporation on the recommendation of the Mayor in Council, and one member shall be nominated by the state government. The Commission will also service the Howrah and Chandernagar Municipal Corporations, or any other municipality notified by the state government. The Act requires the appointment of the Commissioner and Joint Commissioners, Controller of Accounts, Municipal Auditor, Engineer-in-Chief, Chief Municipal Architect and planner, Municipal Health officer, Municipal Law officer and Municipal Secretary.

**State Control over Municipal Staffing**

The control of the Municipal Council over the municipal personnel is significant in states like Gujerat and West Bengal, subject to restriction on the creation of posts and overall establishment expenditure. Whatever be the system, the state government has overall authority to prescribe the payscales and service conditions, recruitment procedure, eligibility criteria, disciplinary proceedings etc., There are case like Karnataka, of course, where since 1971, the recruitment rules have not been revised. The general approach of most state governments in installing the unified service has been to keep the municipal administration out of local political control, and to provide greater career progression and security. However, this detracts from a sense of loyalty to the local authority, rapid turnover of staff, and politicising transfers at the secretariat level. Appointment by the local authority enhances the sense of identification and commitment to local development, but may lead to excessive political control over the staff.

One feature of importance to the effectiveness of all the systems is the executive capacity of the local authority, the training and promotion aspects, career mobility, either within or outside the authority, which are open to employees regardless of their initial qualifications or the basis of employment. A far more serious matter that bedevils the effective functioning of municipal authorities has been the inadequate emphasis on delegation of powers, geographic decentralisation, staff management, fixation of responsibility, lines of control and supervision,
internal management structure and processes, and a proper system of punishment and rewards/incentives.

The state government of Andhra Pradesh has the power to appoint the officers, forming part of the State Municipal Service, and prescribe their service conditions by rule. As provided under Section 132 A of the Act (inserted in 1986), the State government has constituted a Municipal Corporation service consisting of officers and employees of the Corporation of the status of upper division clerks and above, and prescribed the methods of recruitment, conditions of service, pay and allowances, discipline and control. It is thus practically a unified state service, with only the class IV employees and clerks under the control of the Corporation.

The Maharashtra Government has conferred greater autonomy on the Corporation for the appointment and control of all staff except specified officers. Subject to the approval of state government for the creation of posts specified in the Act, the municipal Councils have powers of appointment to various posts. Despite the enabling provision to constitute a Maharashtra Municipal Service, there is as of now a state cadre only for Chief Officers. For the municipalities, the appointments are required to be made out of candidates selected by the staff selection commission. Municipal employees are subjected to vigilance control by the State Vigilance Commissioner or the Ombudsman.

The Karnataka Act requires the appointment of certain officers besides the Commissioner, as specified in Section 82, as well as Deputy and Assistant Commissioners, out of the State Civil services on deputation, except that the Council Secretary shall be appointed in consultation with the Mayor. The state government has set up the Karnataka Municipal Administrative Service, and such posts under the Corporation as are included in this service, shall be filled by the Government by appointment of officers belonging to this service. Appointment to posts other than those borne on the cadre of the KMAS, and those listed in Section 82, shall be made by the Commissioner. As in Maharashtra and A.P., the Act requires government approval for the creation of new posts carrying more than the prescribed pay. The various posts under the Municipal Councils, starting from the Municipal Commissioner of various grades, are filled up out of the KMAS and officers from the state PWD and Health Department. The Chief officer or the Commissioner of Councils are authorised to appoint only clerks and the sanitary workers, subject to ban orders on new posts.

Even where the appointments are made by the Municipal Councils in Karnataka, the transfers are ordered by the district officers or the Director of Municipal Administration. The officials in the Municipal Corporations in the three case study states are not effectively transferable, except for the state government officials, although it is open to the state governments in A.P. and Karnataka to ensure transferability through an executive notification after the present Court cases are decided. The Sectoral Departments retain control over the posting of officials belonging to health, Engineering, Accounts etc., in Karnataka. The Director of Municipal Administration in different states exercises control over all staff matters of the municipal councils, although the power of transfer of Chief officers is usually exercised by the state secretariat.

As the Municipal bodies are classified as industries under the Industrial Disputes Act, Workmen's Compensation act, Minimum Wages Act, and other labour welfare legislation, the employees often seek recourse to these laws to claim various benefits, or to protest any disciplinary action. The municipal councils and corporations have demanded that they should not
be subjected to these laws, as the employees are being equated with the government employees in all respects.

Service Conditions

There is growing concern about the increasing expenditure on staff salaries and liabilities, often going beyond 50% of the total ordinary income. In all the three states, the payscales of municipalities are on par with those of state government employees. However, the pensionary benefits, medical facilities, housing availability and allowances, and opportunity for training may not be on par with the state government or its agencies. Pensionary benefits have not been possible even now in respect of a number of corporations. At the same time, the Chairman of the Karnataka State Finance Commission reported that a number of municipal councils in the state had not paid salaries to their employees for periods ranging from three to twelve months. In Maharashtra, the service conditions of the employees of Thane and Mumbai Corporations are superior to those of state employees. The salary bill for the affluent Mumbai Corporation exceeded 65% of revenue expenditure in 1994-95. Maharashtra government has imposed a ceiling of 42% of expenditure on staff.

The staff structure is bottom heavy, with a small proportion of gazetted and technically qualified staff, along with large numbers of unskilled workers in conservancy and engineering. The political leadership in the local bodies is reluctant to let go its patronage of appointment to lower level posts, and the Unions also see in staff additions their greater clout in negotiations. It was stated that the municipal councils often sidestep the ban on new appointments by making temporary appointments.

Staff Control and Supervision

Under the BPMC Act, the Municipal Commissioner and the Transport Manager are the Municipal Authorities. The Commissioner is appointed by the state government. The Corporation shall appoint other officers, namely, the City Engineer, the Medical officer of health, the Municipal Chief Auditor and the Municipal Secretary, and the appointment of all of them except the Municipal Secretary is subject to the confirmation of the Government. The Corporation may also appoint, with the approval of the Government, Deputy and Assistant Municipal Commissioners. The Standing Committee shall determine the number, designations, salaries and allowances, and grades of the staff under the Chief Auditor and the Secretary, and also sanction, with or without changes, similar statement in respect of other municipal Employees, upon its presentation by the commissioner. All posts with a minimum monthly basic salary of Rs.500 and above require government approval. The power of appointing employees with a monthly salary exceeding Rs. 400 vests in the corporation. There is no requirement of reference to the Public Service Commission, as is the case with Municipalities. A staff selection committee of officials is prescribed for the selection of candidates for various posts under section 54(1). In Maharashtra and Gujerat, each Municipal Corporation has its own cadre of staff except for the requirement of officials specified in the Act, and has substantial control over their appointment, except for those requiring government approval. This in fact led in the past to liberal appointment to posts at lower levels, till the government froze all creation of posts or new appointments.

The executive power of the Corporation vests in the Commissioner subject to the provisions of the Act. He has the power to incur expenditure and conclude contracts upto Rs.1 lakh (with
the requirement of seeking the approval of the Standing Committee for expenditure and tenders exceeding Rs.5 lakhs, and of the Corporation for value exceeding Rs.75 lakhs, and of the government for larger amounts). Commissioner has substantial control over all the staff except for those under the Chief Auditor and the Secretary. He finally writes or reviews the Annual Confidential Rolls of all the employees, except for those on deputation to be forwarded to the concerned Head of Department. He initiates all disciplinary proceedings, and imposes himself or proposes penalties in respect of the defaulting employees, subject to the provisions of section 56. Despite this, the transferability of the Commissioner and his short tenure ensures the building of informal durable relationships by the Corporation employees with the Councillors and important leaders. This sometimes results in the overturning by the Corporation of proposals by the Commissioner for disciplinary action.

The above picture of Maharashtra is broadly true of the other states with similar strong municipal Commissioner as well, except that the staff in the Karnataka and A.P. municipal Corporations are largely subject to the control of state government departments in respect of appointments and transfers, and for final imposition of penalties.

**Impact on Implementation**

A number of small municipal councils do not have qualified engineering staff. Almost all the capital works are executed in the municipalities through contractors or special purpose agencies, according to delegated powers of sanction. The powers of carrying out small works of maintenance or branch lines for water supply and sewerage are quite small, and virtually all the works have to be done through the sectoral agencies in states like Tamil Nadu barring works under the World Bank project for which a higher delegation applies. Where the municipalities are competent to undertake engineering works, the level of specialisation with public health engineering or civil engineering is low, and it is not uncommon for diploma holders to occupy supervisory positions. Virtually all proposals have to submitted to the Municipal Commissioner and the higher decision-making bodies for approvals, and this causes a lot of delay in starting the works, even of routine maintenance. The municipal council is required to take technical sanction of stat departments for works costing more than prescribed sums, and this causes delays. Sometimes, as in Karnataka, Tamil Nadu and A.P., even the design of works has to be done through a state agency. Though Visakhapatnam Corporation was authorised to execute the sewerage work, it was required to take the approval of the state department for prequalification of contractors, tender processing etc., and this took a lot of time.

**Coordination Aspects**

The coordination with other agencies in the city in charge of infrastructure or general administration is also required to be ensured under the leadership of the Commissioner only, as for example, the integration of sewer and drainage maintenance, traffic management by the police and street furniture, streetlighting and the electricity board, delays in building plans for want of clearance from offices under the Collector, planning approvals from the development authority or the town planning department, expenditure and scheme sanctions from higher authorities, problems of judicial intervention, public protests against municipal action or taxation etc.,

As mentioned earlier, the structure of the municipal organisation is essentially flat i.e., it has a large number of employees (especially conservancy workers and gang workers) at the base,
and very few intermediate levels at the hierarchy separating them from the top. Eligibility requirements (such as qualifications, experience, skills needed for the job etc.) differ widely at successive hierarchical levels, especially for the technical posts, reducing thereby the already limited scope for upward mobility of employees. This leads to the stagnation of the employees at the same level, whether in the same municipality or in different cities. This affects the motivation of the employees.

**Promotion and Appraisal**

The opportunities for promotion are few, and the available vacant posts are not allowed by the state government to be filled up in the name of economy. Unlike the central and state government departments, there is no system of periodic cadre review. Promotions are dependent, in some states on the preferences of the committees headed by elected representatives. The rules and regulations for recruitment and promotion are outdated, as pointed out in the case of Karnataka. The feeder channel for the supervisory posts in A.P. come from a variety of sources, such as in the case of Municipal commissioner, with the result there is no homogeneity of guidance from the top officer.

The performance appraisal of municipal employees is usually governed by executive instructions and is patterned on the state government system, with no provision for the specialised nature of municipal functions. A number of Municipal Corporations like Bombay have of course devised their own performance appraisal system, just as has been done by special purpose agencies by the Maharashtra housing Authority. The ACR's for municipal employees is written by the Chief officers or the political executive, and the ACR is countersigned by the Collector or the Director of Municipal bodies. The ACR's for the deputed technical staff is reviewed and countersigned by the concerned heads of departments. For the non-gazetted staff appointed by the Corporation or municipal council, there is generally no practice of writing confidential rolls, and this exposes the staff to the subjective assessment of the selection committee or the chief officer in getting promotions. it is generally recognised that the ACR is not a good index of the intelligence and ability of a public employee, and often reflect the personal prejudices of the reporting officer. When a common grading is made at the time of preparing panels for promotion, it does not correspond to the relative abilities and performance of the employees. the reports are often written in a hurry by reporting officers, because of the present practice of writing them in the first fortnight of the following year.

**Employees of Parastatals**

The staff of the special purpose agencies like the Water Supply and Sewerage Boards, state and city level Development Authorities, Housing Boards etc., are composed of employees on deputation from the state departments as well as those at the lower level appointed by the agency. In Maharashtra, there are few employees (such as the Managing Director and the Financial Adviser) on deputation, as they are able to attract and retain good staff. The proportion of deputed staff is greater for the other two states. The agencies follow the service regulations of the state government and their pay scales, though some agencies offer better scales. When the Water Supply agencies were initially set up in cities like Madras and Hyderabad, or at the state level in U.P., they took over the concerned staff from the municipal councils. In view of the settled staff structure of the special functional agencies, the maintenance of the staff overheads is dependent on the steady flow of capital investment or other income. Hence, these organisations have a vested interest in their survival and in not handing over the existing or new capital works
to the municipal agencies. This explains the penchant of the planning authorities to undertake capital works, or the engineers to prefer high cost technical solutions or built houses.

**Corruption in Public Behaviour**

There are widespread complaints of corruption in the municipal bodies, planning and development authorities, and the various agencies in charge of providing urban services. The rapid surge of the consumer movement, and the growth of Consumer protection legislation has resulted in greater publicity for, and recourse to administrative and judicial remedy against, excesses of local bodies and public agencies, acting alone or in collusion with other offenders such as unscrupulous builders. The High Courts in a number of states have spurred reluctant local bodies to take action against unauthorised structures and legal violations, and to proceed against the conniving officials. The criminal investigation machinery and vigilance machinery in a number of states and in the central government have taken punitive action against officials in public and local agencies for the possession of disproportionate assets and acceptance of bribes. Public interest petitions against the municipal corporations and development authorities in Delhi and other cities, and audit reports, have drawn attention to the delay, harassment and corruption in the sanction of building plans and planning uses, various types of licences and permissions, allotment of houses and plots, improper award of tenders for works and purchases, acquisition of land and property, collusion with builders and developers, and disposal of public property.

In an article on **Institutional Arrangements for Controlling Corruption in public life in Karnataka** (IIPA Jan-March 1995) Sangeeta surveys the evolution of anti-corruption and vigilance institutions. There was, to start with, the Directorate of Anti-Corruption and Efficiency Audit. While one unit dealt with cases of bribery and corruption against public officials including local government officials, the other unit conducted regular inspections of government offices in order to prevent delays, and to suggest simplification of procedures and methods for efficient administration. The Vigilance Commissionerate came later, followed by the present arrangement of Lok Ayukta and Up Lok Ayukta, with considerable powers for investigating corruption at all levels of government. The investigation covers both allegations of corruption and nepotism, and complaints and grievances arising from maladministration. They investigate offenses under relevant penal laws, cases of amassing of disproportionate assets etc., their findings are communicated to the competent authority for necessary action, and the report of findings and action taken are placed before the Legislature. The Efficiency Audit and Vigilance bureau under an officer of the grade of Additional Chief Secretary deals with cases of corruption, dereliction of duty, inefficiency, wasteful expenditure and lack of accountability in government. It conducts surprise inspections and suggests changes in rules and procedures to achieve maximum efficiency. It also identifies bottlenecks in the implementation of programmes. It thus represents the positive side of punitive action against corruption. There are grievance redressal officers at the level of various officers and departments right down to the tehsil. There are similar machineries to tackle corruption in Maharashtra and A.P. though the Karnataka machinery is more comprehensive.

In the study by Sangita, it was found that the proportion of complaints against local bodies received out of the total complaints against all the public agencies in 1985-90 was 7.13% in Karnataka and 6.92% in A.P. The departments of Revenue, police, Education, and Public Works accounted for about three fourths of the complaints. There is a steady increase of corruption in
local bodies and BDA in Karnataka, over the period 1965-75 to 1985-90, from 1.74 to 7.13 for urban local bodies and 0.24 to 3.68% for B.D.A. There are different modes of corruption, with the issue of licences, certificates and permits occupying the first place. For the municipalities, with reduction in assessment and penalty, and the issue of permits occupied dominant place. Other modes were charging for services and facilities, supply of records, allotment of land and shops, allowing excess payments, permitting sub standard works or purchase of substandard materials, allowing unlawful action etc., It was found that corruption had been institutionalised for certain favours and licences.

The Unattended Tasks in Local Government

The objective of the 74th Amendment was both to empower the urban local bodies as vibrant democratic units of self-government, and to promote effective decentralisation of urban government. This has to be seen against the parallel initiative of the Central Government for community-based poverty alleviation and urban basic services, structured on stronger reoriented municipalities. The Amendment provides the framework for functional allocation as per the illustrative list, decentralised finances (through the State Finance Commissions), and popular participation through the mandated Wards Committees for the larger cities.

As has been widely recognised in the aftermath of the euphoria over the empowerment of local bodies, the Constitutional Amendment is just the beginning, and provides only the enabling legal base, for the continued existence of elected local bodies, representation of weaker sections in these bodies, a framework for regional planning, comprehensive functional allocation, mandated and durable devolution of funds and own revenue sources, and decentralised civic functions. However, the long road to reform of urban government and true decentralisation is ahead.

The state governments are yet to address the fundamental issues bedevilling effective local government, such as: functional clarity, closing the vertical gap of functions and commensurate revenues, location and distribution of executive and policy-making authority, recasting state controls, enabling various partnerships, personnel policies, and capacity-building.

Apart from the issues relating to functional allocation and the closing of the vertical gap, the issue relating to this study is the failure by most state governments to address the location and distribution of executive and decision-making authority, state control, and personnel policies and capacity building. Only Kerala has amended the law to provide for a strong elected municipal executive, while other states have left the existing provisions unchanged. This has in fact led to complaints from the elected Mayors, especially those elected directly for a long term as in Andhra Pradesh, that there has been no effective empowerment of elected bodies, and that the increased powers are being exercised largely by the appointed officials. The functional allocation and the identification of the roles of different types of municipal bodies should lead to the consideration of necessary legal changes and administrative dispensation for equipping the municipal personnel and elected councillors.

These unfinished tasks of the 74th Amendment in fact embody the spirit of autonomous and strong local government, and form the subject of the rest of this Paper.
Chapter-II

REVIEW OF CRITICAL CONSTRAINTS TO URBAN MANAGEMENT

 Appropriateness of Organisational and Functional Structures

The constraint in organisational terms stems from the fragmentation of executive authority within the Municipal Corporation, the brakes on the executive authority coming from within and from the state government, the dangers of centralisation in geographical and management terms, the territorial dimension and the special problems of metropolitan areas. The position differs significantly from the municipal councils in Maharashtra and Gujarat, which follow the strong Chairperson system, and the supervision of the administration by the Chairperson through the Chief Officer.

Most states in India, including Andhra Pradesh, Karnataka and Maharashtra, follow the strong Municipal Commissioner system, but this implies the fragmentation of decision making authority among the Commissioner, the Standing Committee and the Corporation, and can lead to tensions and delays. There is a web of decision-making bodies on the political and official side, and a lot of informal political control. There is no single line of accountability even during the supersession of the corporation, and no ultimate authority. The instruments of strategic planning, which are of great importance in Latin American cities—plans of action, coordinating teams, investment plans, budget—are of lesser significance in the interactive process of decision (or even inertia, or non-decision) that characterise the Corporations.

The division of authority reflects the traditional bias of state governments against the role of politics in governance. The Commissioner’s powers for incurring expenditure and concluding contracts on his own are limited by statutory provisions in all the three states, and he is required to approach the elected Municipal Authorities for higher expenditure and contract approvals. There have been instances of deliberate delays in sanction, and that is why, in Maharashtra Act, there is a provision for the Commissioner to approve the tenders at his level for externally aided projects, in case the Standing Committee takes no decision in 15 days. The Standing Committee’s powers of tender approval sometimes lead to pressures on councillors from the contractors/suppliers, as also from interested heads of departments. The Corporations are reluctant to approve revision of water charges or property taxes, or the rents of Corporation properties, or the licence fees, and are eager to reduce the assessments proposed by the Commissioner. The control of Corporation finances and administration by the government leaves the Corporation with a sense of helplessness over its direction of civic affairs, and encourages fiscal irresponsibility at the political level, bolstered by the optimism of budgetary bailouts by the government.

It is important to note that, while the functional organisation is influenced by statutory provisions, its detailing as well as the decision to organise its activities on a zonal geographical basis has remained wholly a matter of decision of the Corporation and the Commissioner. There are few efforts at effective decentralisation of functions on zonal basis, or delegation of powers to the Ward officers. The Borough council system of Calcutta involving the effective supervision
of local functions by the councillors is an exception to the rule. It is too early to evaluate the success of Wards Committees, as they are yet to be set up in many states.

There are tensions too on the appointment and disciplinary proceedings of staff, especially in A.P. and Maharashtra. In Maharashtra, the Commissioner is obliged to approach the Standing Committee and the Corporation for the creation of posts carrying more than the specified pay, and for routing proposals to government. There have been instances in Maharashtra, where the higher elective authorities have reduced the proposed penalty or reinstated officials proposed for dismissal. This leads to informal political control of the Corporation-appointed officials by the political leadership, cutting across the formal executive authority of the Commissioner. In Karnataka and A.P. where the proportion of staff appointed by the state government is much greater, and the powers of appointing authority vest in the government, the staff reach out to secretariat departments also for favours.

Commissioners and Councillors

The Commissioners serve for too short a period to assert real authority over a large organisation, despite the prestige associated with the post. Power is diffused among a number of departmental heads and deputy commissioners, many of whom share local loyalties, and are wedded to the defence of departmental interests. There is a persistence of the departmental share of budget allocations which illustrates this. The zonal system of administration may increase their political exposure and weaken the chain of command from the commissioner to the deputies.

The councillors themselves, in a number of cities, are inclined to be far more interested in tenders, contracts, recruitment, transfers, and routine services in the wards, than in policy matters affecting city development, and seek to influence the departmental heads and the field staff in various ways. A large part of the time of the Commissioner and his deputies is taken up in responding to the complaints and representations of politicians, citizens and organised interests, and in capital cities like Bangalore, the demands of different sectoral departments. At the same time, the structure of organisation and the staffing pattern is such that the Commissioner finds it difficult to mobilise the employees to achieve comprehensive planning and institutional objectives. He is also stymied by the other constraints of budgets and facilities, and inadequacies in suitably qualified and skilled staff, and the pressure of a large casual labour force (mainly composed of sanitary workers and work charged staff).

State Control

Efficient performance is also constrained by excessive state government control, apparently in the interest of ensuring fiscal discipline, securing the performance of assigned functions, or cutting down establishment costs, or reducing politicisation etc. In A.P. and Karnataka, the delays in government approval and technical sanction for works hold up the commencement of schemes; the Maharashtra corporations enjoy greater autonomy in expenditure, state control on the creation of posts, and ban on filling up vacancies, was stated to have hampered the efficient discharge of functions. In A.P. and Karnataka, the power of the state to transfer Local Government Service and other caderised officials, even at the lower level, affects the durability of staff functions, and undermines the executive authority of the Commissioner over them. The failure of the state government to update rules relating to recruitment (as in Karnataka), or to
rationalise the staff structure, while at the same time not giving autonomy to the Corporation to reorder the composition of staff or its strength, affects the executive manoeuvrability.

There appears to be no systematic management orientation for state control over urban local bodies. The pattern of administration of urban development functions at the secretariat is often fragmented, with a number of departments having control for urban development and planning, municipalities, housing, urban poverty alleviation, water supply and sewerage, land development etc. In Maharashtra, there are three departments for the above subject, two in A.P. and Karnataka. the state secretariat departments lack the necessary data base and support services in order to operate a state policy for urban development and shelter, in tune with environmental management, and to sustain an effective organisational structure in the urban areas by bringing together different agencies. The fragmented authority (with departments often under different Ministers) reflects itself in the divided loyalties and attitudes of the parastatals and field agencies.

The Parastatal Agencies

The network of parastatal agencies, such as the Karnataka Water Supply and Sewerage Board (KWSSB) and the Mangalore Urban Development Authority (MUDA) in Mangalore, or the Visakhapatnam Urban Development Authority (VUDA) in Visakhapatnam, or the Bangalore Development Authority (BDA) an Bangalore Water Supply and Sewerage Board (BWSSB) in Bangalore, created by the state government has complicated the governance of cities, and has isolated the elective element of the Corporations from the process of urban management. The Mangalore City Corporation (MCC) has to depend on the KWSSB for the augmentation of water supply and sewerage facilities, even as it has to foot most of the loan liability. Visakhapatnam Municipal Corporation (VMC) has been granted greater control over this sector, but its schemes are affected by delays in various sanctions from state secretariat. Karnataka has steadfastly refused to vest the urban planning function in the Municipal bodies, and the UDA’s have not operated in concert with the municipal corporations. Even in Vizag, the consultation with the VMC is perfunctory on master planning. In Bangalore, the Corporation has the powers only for building permissions upto a limit. The Maharashtra Town Planning Act designates the Municipal Corporations as Planning Authorities with the responsibility for initiating revisions to the master plan with the help of the state Directorate of Town Planning. However, often the peripheral areas are developed by state level development authorities like City and Industrial Development Corporation (CIDCO) and Maharashtra Industrial Development Corporation (MIDC), and this creates problems for subsequent maintenance of services or coordinated planning.

The parastatals are not structured to operate as partners in implementing a city level urban management plan. In the case study cities, the water supply and sewerage utilities operate more as contractual organisations for the planning and execution of individual works, are dependent on direct or indirect budgetary support, and are controlled by nominated bodies. The State Transport organisations, which operate city transport services, tend to operate independently as utilities influenced more by patterns of traffic projections and state policies on fares, subsidies etc., The Electricity Boards plan for power supply and improvements according to local assessments of demand, and the expenditure is guided by priorities for use of scarce resources set at the state level. The Urban Development Authorities are expected to chart the course of development according to the Master Plan, but, in the four cities, have ended up operating as agencies for implementing land development and housing projects.(Of course, in the case of Aurangabad,
there was no regional authority subsuming the different Planning Authorities, and the CIDCO operated efficiently within its mandate.) The Industrial Development organisations carve out industrial areas within the agglomeration, (and this is ratified at the state level by a changes in the Master Plan) and operate services autonomously. The various organisations tend to operate as extensions of the administrative state departments, and are dependent on them for policy guidance.

Amongst the case study cities, CIDCO has an efficient organisational framework, is officer oriented, has enjoyed flexibility and autonomy in recruitment as well as the adoption of innovative managerial and financial practices. It has been foremost in contracting out and privatising planning and service provision, and various instruments for participative planning and land assembly with landowners. The same cannot be said of the other urban development authorities including BDA despite the alleged advantage of functioning without the control of elected representatives. The staff structure of the water utilities and the development authorities (except CIDCO) tends to be conventional, with no provision for management and financial disciplines of the corporate sector. There is considerable state control over staff, a high proportion of deputed officers, and traditional performance appraisal systems. They have been as prone to inefficiency, indiscipline and financial problems as the municipal agencies whom they supplanted.

The monopoly enjoyed by the state agencies for water supply in states like Tamil Nadu, coupled with little delegation for the local bodies, leads to lack of responsibility. They have not at the same time succeeded in getting depoliticised in respect of cost covering tariffs, or avoiding political influence in the award of contracts or allotments , or in being able to pursue sound financial management free from debilitating government systems. The inadequacies in the organisational structure of the parastatals affects the efficiency of urban management and the capacity of municipalities to deliver basic services.

**Functional Adequacy**

As regards the adequacy of the functional structure, there is considerable ambiguity in the assignment of functions to the municipalities, even after the 74th Amendment, and joint occupancy of functions by the municipalities and state departments/agencies appears to be the rule in most states. The state governments have not availed themselves of the opportunity provided under the Constitution for clarifying the functions to be performed by municipalities of different sizes and capacities. The municipal corporations will find it difficult to discharge the task of economic planning and social justice in the absence of clarification of the role of parastatals, or the municipal involvement in planning.

The present functional distribution leaves open the serious fiscal imbalance or vertical gap, of varying dimensions in the three states, between the normative requirements of the municipalities to discharge the obligatory responsibilities, and what they are potentially able to realise from their own revenue sources. This gap will be accentuated by the entrustment of additional functions, the increase in maintenance responsibilities and additional areas to be served ( with proposed extension of municipal limits in the case study cities), and by the persisting problems of resource mobilisation caused by present legal infirmities and poor staff skills. It is not certain that the State Finance Commission would address the functional allocation and vertical gap satisfactorily, in the absence of clear policy briefs from the state governments.
Central Agencies

Under the Constitution, the Federal Government is not directly responsible for urban development and housing, although it has been taking the main initiatives for sectoral reforms and legal changes. It also exercises significant influence on the planning of urban areas, provision and financing of infrastructure, and human resource development in the sector. The Centrally controlled institutions influence the quantum and content of urban investment indirectly by financial assistance to local agencies, and directly by the activities and investments of central departments and authorities. However, the central departments and agencies (such as Defence agencies, Cantonment Boards, Railways and their subordinate corporations, International Airports Authority, Port Trusts, Tourism Development Corporations, Telecommunications, various public sector units etc.,) have tended to stay outside the mainstream of state level urban development, and have not contributed to the financing of city services.

The state laws for planning and municipal government do not usually govern the operations of these agencies, although they are required to obtain approval for development of a non-operational nature. The state agencies find it difficult to shift enterprises and trades located in the inner cities in the lands of the Port Trust, Defence and Railways, although these agencies seek state government help for relocation of offending slums for their operational purposes. The Defence Department delays the issue of sanction for road an water/sewer alignments passing through their lands. The investment plans of central agencies are not made known to the local planning authority, and this results in unanticipated demands for roadspaces, civic services, power supply etc., (The Visakhapatnam Port Trust, on the other hand, protested about the impact of the discharge of untreated sewage and other waste on the quality of coastal waters, and referred to the initiatives of the Port Trust to improve the environment within the VPT area.) A comprehensive approach to slums in Bangalore and other cities has not become possible because of the ambivalent stand of central landowning agencies. they do not often respect the planning authority of state or municipal agencies, as was stated by VUDA in the case of Visakhapatnam. The central departments in Calcutta and other cities have not helped in relocating their units, and helping in the redevelopment of prime areas for participative revenue generation. On the contrary, sometimes, the agencies are able to exact from central and state governments concessions at variance with the planning strategy. They develop captive services for their own requirements, but do not provide for the service demands generated by their activities. They are loath to contribute to the city finances (raising disputes even about the service charges in lieu of property taxes, as in the case of Visakhapatnam steel township), or contribute to augmentation of transport and other infrastructure which is under strain because of their own activities (as in the case of VPT, or the public sector units in Bangalore) located within or outside the city limits.

As these agencies are controlled by different departments at the Centre, the sectoral Ministry Ministry of urban Affairs and Employment (MUAE) finds it difficult to assist the state governments in disciplining these agencies, or in making them conform to the city development strategy. The Defence Ministry is not agreeable to amend the Cantonment Boards Act in conformity with the 74th Amendment, even though they are agreeable to permit the Boards to work in concert with the local planning authorities and to participate in the state urban development schemes.
As the Municipal bodies and various functional agencies are creations of state statutes, the task of interagency coordination falls primarily on the state government through legal provisions and coordinating mechanisms devised by them. Cases of interstate planning for urban infrastructure and planning are few, the most outstanding example being the National Capital Region Board for the planning and development of a region of over 31,000 sq.km., covering urban and rural settlements of Delhi, parts of Haryana, U.P., and Rajasthan. The factor of vertical control of the field agencies and PSU’s by different Central Ministries, and their one to one relationship with state departments, comes in the way of a single state urban department seeking to structure central-state coordination for urban management. Ideally, the Megacities project, and central participation in state level monitoring of the scheme, should provide the entry point for bringing in other central agencies in these cities into the planning and development of these cities.

Gaps and Duplication

There is a serious problem of joint occupancy of functions by the state and local governments. Despite the proliferation of authorities, there are serious gaps in services and planning such as:

- the needs of rental and new housing, or upgradation of dwellings for different income groups, the industrial labour etc., in the case study cities, based on a city level action plan of the type advocated by the National Policy; comprehensive policy for expanding the supply of land for different purposes, having regard to the provisions under different central and state laws, and the lands and premises with different public agencies or the potential reuse of industrial premises; the convergent provision of basic services, health care, nutrition, income generating services etc., for the poor and disadvantaged groups (except in the case of Visakhapatnam); comprehensive environmental management and pollution abatement linked to infrastructure planning; integrated transport planning for different modes of transport, different facets of traffic management and regulation, goods transport and truck terminals etc., in relation to the regional plan; or, within the sphere of public health engineering itself, integrated planning of water supply, sewerage, storm water drainage, sanitation, solid waste management and industrial wastes, thanks to the division of responsibilities.

The gaps and duplications assume a different scale in the metropolitan context, especially for a rapidly expanding and industrialising city like Bangalore. These issues and the problems created by different Planning legislations in Bangalore and the implications for metropolitan management are explored in the Annexure.

The World Bank and other international agencies, who have assisted urban development projects in a number of states and cities in India, have also favoured a 'source to tap' autonomous organisational approach and that led to the establishment of metropolitan water and sewerage Boards in Hyderabad and Madras, and State Water Supply and Sewerage Boards in Gujarat, Kerala, Uttar Pradesh and Punjab, to the exclusion of the local bodies entirely or partially from this sector. Planning for maintenance of services with user involvement, or building up capability for citywide management, was not in the initial reckoning of the Bank. The three tier system of Jal Nigam, regional Jal Sansthas, and major city Jal Sansthas for the water supply and sewer sector, and the administrative and financial arrangements, have created serious sectoral distortions and
lack of accountability. In Kerala, the Bank project went to the extent of advocating the legislation for the entrustment of source to tap responsibilities to the state Water Authority. Only, in the case of the Bombay Water Supply and Sewerage Project, the state government was able to advocate the cause of the Municipal Corporation for handling the entire project on account of its strong organisational and financial base, and this confidence as found to be well placed.

The bilateral agencies like the ODA, U.K. have been more supportive of the capacity building of municipal Corporations for citywide slum upgradation, as in Hyderabad, Visakhapatnam and Vijayawada, except where the state governments proposed for the project agency the Development Authority, as in Calcutta and Indore. Surprisingly, when the Government of Netherlands offered grants for a pilot project for poverty alleviation in Bangalore, the State Government and the Dutch Government did not favour the Municipal Corporation, but chose to set up a Steering Committee with no provision for institutional sustainability.

Adequacy of Interagency Coordination

The problems of coordination derive from inadequacies of the organisational and functional structure for urban development and shelter services in different states and the joint occupancy of functions by different entities in urban areas, with little regard for their impact on the citizens and enterprises.

Metropolitan Scenario

In the case of metropolitan cities, the Planning and Development Authorities, established in different states after the model of Delhi, were legally vested with the central task of coordinating different agencies functioning in the region. The World Bank Projects in Calcutta, Bombay and Madras sought to reinforce this role of the metroplanning authorities like those in Madras and Calcutta metropolitan region. However, in the World Bank projects, their mandate did not extend beyond the activities under the Project to the other activities of the sectoral agencies, or the entire city plan. As with the Delhi Development Authority, the Authorities such as BDA were distracted from their central planning and coordinating role by their preoccupation with land development and real estate activities. Thus they aroused the suspicions and hostility of the sectoral agencies constituted for the execution of these functions as well as the elected councillors of municipal corporations. The weak position of the municipal corporation in Bangalore (unlike the Bombay or Pune Corporation) deterred it from staking a claim for the coordinating role, especially as it was obliged to defer to the BDA for all planning decisions. The authorities like BDA were composed of nominated members and were not perceived as representative, or structured for interface with citizens. In the case of Bangalore, the conflicting mandates of authorities in Bombay and Bangalore led to confusing perceptions of the coordinating role by the state government. This has been compounded, as noted earlier, by the decision to entrust megacity investment coordination to a new agency.

In sum, no one at present is performing interagency coordination in Bangalore; and even the amending law on the Metropolitan Planning Committee is silent on the coordination functions of the Committee, or its status vis a vis BDA. There is nothing wrong per se in the multiplicity of agencies in a metropolitan area, so long as a single agency with a metropolitan perspective is recognised as performing the jobs of strategic planning, investment and capital programming, conflict resolution and advocacy with higher levels of government, and other agencies defer to its mandate.
The Non-Metropolitan Situation

In respect of the non-metropolitan cities, there is no one person or agency constituted to coordinate the working of different agencies, and conflict resolution and decisions on infrastructure are kicked up to the state secretariat. The benefits of coordinating machinery insisted upon in the case of the cities taken up under the Central Scheme for the Integrated Development of Small and Medium Towns (IDSMT) are not available to the case study cities (as they exceed the 300,000 population ceiling), except to the extent the local Collector chose to intervene effectively (as in the case of Mangalore because of the Collector being the Corporation administrator), or his assistance was invoked in specific cases like land acquisition, or slum relocation, or removal of encroachments, or cooperation of a sectoral agency. The Mayors are not known to have performed this function, except in smaller towns like Cuttack because of their perceived political position, again for specific projects. The task of coordination could have been performed effectively within the limited sphere of civic functions, where the Corporations had a comprehensive role as in A.P. and Maharashtra. (Aurangabad has a more comprehensive range of functions including planning and capital programming for water supply and sewer than Visakhapatnam.) Even here, success in eliciting the cooperation of sectoral agencies seems to have depended on the personality and initiative of the Commissioner, as in the case of Visakhapatnam, and his status in the administrative hierarchy.

Citizen Interface

The citizen groups felt strongly about their non-involvement in civic affairs, information gaps, multiple and overlapping jurisdiction of agencies, delays and corruption, and are organising themselves in cities like Pune and Bangalore to establish formal communication links with higher authorities. The split responsibility for the deprived areas and slums within the same city as in Bangalore has prevented a coordinated approach for service provision or shelter assistance. The special purpose agencies have not (apart from other aspects of efficiency, autonomy etc., discussed earlier) proved to be more accountable entities in Bangalore or Visakhapatnam, and are not structured for decentralised delivery. The master planning process involves only a proforma invitation of public objections to the published draft plan, and there is no serious exercise for eliciting citizen views on the content and thrust of the Plan. The secrecy clouding the finalisation of the Master Plan in all the four cities leads to popular perceptions of the builder-politician-bureaucrat nexus in arbitrary changes in the Plan, or regularisation of unauthorised development, and the citizen's bewilderment about the building and planning permissions. The Public Relations officer in the Corporations and the special agencies tend to function more as issuers of advertisements and press notes, organisers of press conferences to glorify achievements, and to do protocol duties, and the incumbents are not often equipped to deal sympathetically with the public.

The high level steering committee for slum improvement in Bangalore has turned out to be a pilot approach so far, and not an exercise in coordination. The Urban Basic Services Project (UBSP) and ODA project for slum improvement in Visakhapatnam provides an example of intersectoral coordination for convergent provision of physical and social services to the identified slum dwellers. This was possible because of the recognised role of the elected local body for the project, its high profile attention from the state government, and the inflow of large grants. It is being scaled up on a statewide basis in all the cities, with a structured coordination mechanism at the district and city level and a separate Fund. The failure of a similar UBSP effort
to take off in Aurangabad despite the availability of an enabling law may be due to the absence of an externally aided project, or the lack of leadership from the state government.

Whether it is the UBSP or the exercise in democratic decentralisation, the cities of Visakhapatnam, Mangalore and Bangalore are looking at the examples of the Baroda Citizens Council, Alleppey type city level community movement for poverty alleviation, the possibilities of mass mobilisation for civic issues on the lines of literacy in Kerala, or the Corporation-citizen interface sparked off by the media advocacy, or the mobilisation of pavement women by a NGO as in Bombay.

Baroda in Gujerat provides a striking example of non-government organisation as a partnership of the private sector, the Municipal Corporation, the voluntary agencies and the local University, and of mobilisation of corporate and community funds for assisting community and NGO initiatives in a variety of social and physical services, income generating activities etc., Alleppey provides an instance of strong government support at the political level for community and women empowerment in the cause of community managed urban poverty reduction programme.

What Pune (a metropolitan city in Maharashtra) started as the strengthening of capability of zonal offices by the transfer of functions and powers to the local officers and local consultation, transformed into a participatory system where the local people have more control over the service delivery and future of their neighbourhoods, and swelled into a blueprint for the city's growth. Over a period, the councillors also joined the movement and participated in the zonal meetings with citizens. The Indian Express newspaper played an unusual role for a national newspaper in facilitating social action and supporting the activities of the Express citizens forum through its columns. The action has spread out to the police department and the postal network as well; the Department of Posts at the central level has agreed to support the Pune venture and extend it to other cities.

The constraints to its replicability and upscaling of these partnerships mentioned above are the same as those accounting for the success : committed local political support; emergence of strong and committed corporate and citizen leadership; linkages with official and formal sector agencies; and building up credibility in the community and support through grassroot workers. It was surprising to note the reaction among officials in Aurangabad that the Pune experiment was not likely to succeed in their city because a similar civic environment did not exist.
Issues of Infrastructural Planning and Management

The case studies reveal the problems created by the failure to integrate the planning of sewerage, storm water drainage and waste disposal by the Corporation and the sectoral agencies sitting together, as in Mangalore and Bangalore. There are disputes of jurisdiction between the agencies in charge of road system falling within the jurisdiction of municipal, state and central agencies. The problem here, as in the case of traffic management and auto-pollution, arises from the failure to see the linkages between different agency activities and planning instruments, and a single agency to articulate the agency level implications. Apart from this, the typical problems of interagency gaps result from the tendency of state agencies to undertake capital works, without consulting the municipal bodies, and seek to transfer the loan liability and the completed works to them, as was witnessed in the case of Mangalore. This was avoided in Aurangabad and Visakhapatnam, where the state government permitted the Corporations to undertake the capital works. In Bangalore, the BCC was totally excluded from water sewerage responsibilities.

The constraints have stemmed from the activities of urban and industrial development authorities within and on the periphery of the city, and the problems of merger of these areas in the municipal jurisdiction, and in the takeover of services, the taxation of the new citizens etc. All the major cities in India face the problem of municipal takeover of services in the colonies developed by specialised agencies and industrial corporations, and the delays in the development of community facilities on the designated lands in the colonies, due to continuing disputes between the special agencies and the Municipal Corporation about the service standards, the deficiency charges to be paid to the Municipal body, the cost of vacant plots to be paid by the Municipality, the pro rata contribution of the special agency to off site infrastructure etc. In Delhi, the role of the Lieutenant Governor, as the Chairman of the Development Authority, has not greatly helped in resolving many of the outstanding problems of coordination.

The problem is not avoided, in the case of peripheral development, by designating the industrial development agencies as local bodies as in A.P. (or as proposed in Karnataka), as it begs the question of spatial contiguity or exclusion of elected councillors from the management of services. The state housing agencies complain about delays in the allotment of houses and plots, and increases in the sale price, because of non-cooperation by the municipal agencies; and also problems in the takeover of housing colonies. All the executing agencies complain about problems in power supply, and the effects of power fluctuation on water and sewage pumping, industrial activity etc. Against this, the electricity board officials refer to failure of the agencies to project power demands to them in time, failure to provide for roadspace for installation of poles, and failure to pay electricity bills on time. The residents of private layouts and cooperatives in layouts handed over to the Corporation face the problem of provision of services from out of the development charges, as disputes rage between different agencies.

In many states, there is a multiplicity of legislations concerning the planning and development of the city and its peripheral areas, and the lack of coordination of the different agencies, as noted in the case of the four cities also. It has led to the fragmented administration of townships and villages outside the municipal limits but within the agglomeration; it has led to unauthorised development and construction to escape the rigours of municipal building laws and the urban land ceiling law. The practice, as in Bangalore, for the BDA to operate in terms of designated development areas leads to pockets of BDA layouts coexisting with undeveloped areas or inner city areas under the BCC or a township.
The procedure prescribed for plan preparation and its final approval is dilatory and time consuming, and there is no time limit for approval at each stage. The status of developments vis a vis both the sanctioned and the draft revised Plan is not defined, and leads to grey areas. A number of government departments presume that they are exempt from the requirement of planning permissions, and cause haphazard development. The powers of stoppage of unauthorised construction, or violations of plans, are ineffectual, and the demolition of such constructions requires a tortuous process (often subject to court orders); the prosecution often ends in a laughable fine and is hardly deterrent. The town planning legislations of A.P. and Karnataka are outdated, and contain provisions conflicting with other laws relating to spatial development. These problems were addressed in a seminar organised by MUAE in February 1995, but the two states do not seem to have taken up a followup of the recommendations of the seminar.

The state government urban development departments are buffeted by large number of similar disputes between agencies, and have little time or departmental capacity for continuous firefighting. In some cases, problems like the grant of occupancy rights to slumdwellers(to enable them to secure shelter assistance from the state agency or financial institutions), as in Visakhapatnam or Aurangabad, depend on policy decisions in another department of the state department, or amendment of the Master Plan, and that takes time. An issue like single window issue of building permits or planning permissions calls for willingness of the concerned consenting departments like the Revenue Department, Competent Authority under the Urban Land Ceiling Act, infrastructure agencies, planning authority etc., to yield turf and patronage, and that is not easy.

In respect of convergent operation of health, nutrition and income support schemes for the poor, the question involves compatible guidelines of state agencies, and the effort has to be orchestrated by the line department. Here again, the binding glue of large external aid is able to enforce departmental compliance for a limited period, but this is not longstanding. It is not clear if the District Planning Committee set up under the 74th Amendment can or will perform this role.

**Adequacy of Facilities and Budgets**

**Problem of Fiscal Gap**

The case studies have brought out the problem of fiscal gap and service deficiencies, and the effect on the deprived population in terms of:

- inelastic revenue base;
- the vertical imbalance in resources and normative service requirements;
- inability or unwillingness to effect economies in unproductive expenditure including staff costs;
- inability to tap adequately the existing revenue sources;
- low levels of recovery of taxes and user charges;
- horizontal imbalance in revenues among municipalities of the same class in the same state, or across states, due to endogenous factors;
- the control of the state governments over the tax domains and tariffs;
• high dependence (except for states like Maharashtra) on assigned revenues and grants from the state government;
• the failure of the system of fiscal transfers in most states to address the issue of horizontal and vertical gaps; and
• poor financial administration and budgetary systems, along with low skills of accounting and revenue staff;

High per capita revenue by itself does not seem to guarantee financial soundness in the case of Aurangabad, as it has been sustaining high budget deficits over successive years, and has not been able to provide for contributions to statutory Funds like the Pension Fund of the employees.

The use of the untapped capacity for revenue raising plus savings in administrative costs can help to bring down the fiscal gap and the dependence on state transfers and grants. It is also possible to raise larger revenues from non-tax revenues comprising user charges, charges and fees levied by municipalities, and this is crucial for gaining access to the capital market through revenue bonds.

The Field Reality of Revenues and Expenditure

The per capita non-tax revenues however vary widely, being Rs.18.8 in A.P. and Rs.64 in Maharashtra for class I cities. The tariffs do not cover the cost of water supply services in most cities, and there is practically no cost recovery for sewerage except in cities like Bombay and Madras. Visakhapatnam earned a surplus of Rs.13.5 crores mainly on account of the revenues from non-residential supplies, while it incurred a larger deficit on domestic supplies. Mangalore incurred an expenditure of Rs.332 lakhs on water supply and sewerage in 1994-95 against the income of Rs. 135 lakhs, and its water charges were not adequate even to pay for bulk water supply from the state agency. Aurangabad recovers only Rs.3.5 crores out of the total expenditure of Rs.12 crores, and it owes huge amounts both the state Electricity Board and the Water Supply Board. There are many remunerative services for which the Corporations do not recover the full cost, apart from the failure to recover the market rent for commercial properties, or the incurred cost for community facilities.

The fact that infrastructure services do not pay for themselves, and the decreasing capacity of governments to subsidise the beneficiaries, has not only led to low availability of investible funds, but also to lack of commercialisation of the sector and very low interest of the private sector in entering the sector. At the same time, it has led to the development of parallel unorganised sector for providing many urban services, often at high cost to the beneficiaries and at deficient quality (which, in the case of water supply implies the risk of disease).

The per capita expenditure on different urban services has been found by a number of studies to be lower than the updated norms of the Zakariah Committee, or the technical norms of CPHEEO etc. The resource gap, which was estimated as the difference between the ordinary income, and the level of expenditure required to maintain services at absolute minimum levels, has continued to increase over the years. At 1994-95 prices, the per capita annual O&M expenditure norms (taking into account the implications of new investments also) were Rs. 243.35 in Andhra pradesh, Rs. 295.06 in Karnataka, and Rs.613.54 in Maharashtra. It is estimated that the municipal bodies in India will require an annual investment of Rs.8160 crores over the period 1996-2001 in order to operate and maintain the core services at desired norms.
The resource generation gap over 1996-2001 for meeting this requirement and the per capita gap were Rs.1455.59 crores and Rs.568.12 for A.P., Rs. 1042.62 crores and 578.35 for Karnataka, and Rs. 3397.91 crores and Rs. 801.17 for Maharashtra. The ratio of gap in resource generation to total O&M requirement ranged across these states at 42.49 for A.P., 34.82 for Karnataka, and 23.59 for Maharashtra.

In respect of the case study cities, in 1995-96, the per capita income was Rs.210 for Visakhapatnam, Rs.300 for Mangalore, about Rs.350 in Bangalore and Rs.950 in Aurangabad. As the budgets are presented on line item basis without separating capital and revenue income, or without depicting own revenues independent of assigned revenue and grants, the per capita figures have been calculated after excluding only water supply and sewerage revenues, and capital grants and loans for specific schemes. With reference to the figures compiled by NIUA for 1986-87, there is significant increase in per capita income only for Aurangabad, (mainly on account of buoyant octroi receipts), and the increase in respect of others has not even taken care of inflation.

The water supply and sewerage section of the Budget showed big deficits for Aurangabad and Mangalore Corporations, and for the utility Board in Bangalore, while for Visakhapatnam, the deficit on domestic supplies could be recouped only through industrial supplies (the cross subsidisation process of Visakhapatnam is true of Corporations like Bombay also.). High per capita own revenue by itself does not seem to guarantee financial stability, as seen from the persistent deficits in the Aurangabad budget, and the failure to provide even for obligatory payments to pension funds, sinking fund etc.,

The receipts and expenditure from various services are not separately depicted, except for the separate water supply and sewerage budget in Maharashtra on account of a recent legal provision. Even allowing for inefficiencies in the discharge of the function, the four Corporations failed to recoup expenditure on solid waste management and drainage from sanitary cess or scavenger tax. Bangalore does not recover any charges on this account, while Mangalore has not projected any revenue from sanitary cess, which realised Rs.45 lakhs in 1994-95. Aurangabad incurred a deficit of Rs.220 lakhs on revenue side alone on this account, while Visakhapatnam incurred a deficit of Rs.660 lakhs in 1995-96. Visakhapatnam alone imposed a separate lighting tax, and the deficit on the maintenance of streetlights in 1995-96 is seen to be Rs.150 lakhs.

The revenues of the Karnataka Municipal Corporations reflect a strong dependence on property taxes for own revenues, and a major reliance on assigned revenues (especially octroi compensation), even as they are unable to exploit the property tax due to legal infirmities in administrative problems of assessment and collection. The problem in all the Corporations, other than Bangalore (which does not handle water supply) is the failure to levy adequate tariffs to recover the full costs of domestic water supply and sewerage. At least, the industrial bulk water charges cover the losses on domestic water supply, but the other two corporations depend on general revenues to cover the loss. This effectively rules them out of direct access to financial institutions for loans to finance water supply. The collection of property taxes is typically less than 60%, while the failure to revise the valuation periodically and to adopt a more scientific base denies the Corporations in Karnataka and Maharashtra the scope for buoyancy in this source. Practically, no part of the cost of solid waste management is recovered, even as the scope for community management of the service is still at an exploratory stage in the four cities (with Bangalore and Visakhapatnam having a better record of citizen effort). The exploitation of non-
tax sources like various fees, periodic revision of rents of corporation properties, commercial exploitation of municipal land etc., has not been systematically attempted, partly due to political pressures, and partly for want of adequate attention from the management and the accounts branch.

The Maintenance Crunch

It has been estimated by the National Institute of Urban Affairs that, as against the annual consolidated revenue of Rs.3900 crores in 1993-94, the municipal bodies in India will require an annual investment of Rs.8160 crores over 1996-2001 in order to operate and maintain the core services (excluding power and transport) at desired norms. The resource generation gap over this period for meeting the requirement was Rs.1455 crores, Rs.1042 crores, and Rs.3397 crores respectively for A.P., Karnataka and Maharashtra. All the Corporations reported resource shortage for capital works, and inability to maintain all the services at adequate levels.

Shortage of funds was mentioned as one of the major reasons in all the cities for inadequacies in service maintenance and in augmentation. The transfers and grants from state government was projected as the major way out of the resource crunch. At the same time, the state governments referred to the inability of the Municipal corporations to fully utilise capital loans and grants, especially in important national schemes. The perennial failure to achieve budgeted levels of capital expenditure on projects indicates either a) organisational difficulty in spending allocated sums because of delays in decisions over technical sanction and tenders, as well as contract management, and shortages of staff and materials; or b) that project expenditure is considered less of a priority than the more immediate demands of loan repayments, arrears to state utilities, and unforeseen expenditure in personnel and maintenance costs. The latter seems more likely, given the blurred distinction between capital and revenue expenditure.

Costing of Services

The problem is aggravated by the failure to work out scientifically the costs of providing different services, at normative and present standards, and relating it to the revenues available. A beginning has been made to depict separate revenues and costs in the Budget for the water supply and sewer sector under a legal requirement in Maharashtra, but even this does not oblige the corporation to work out costs accurately, or to devise cost effective provision, or to explore alternate service provision. Given the service deficiencies in various cities, it is not possible to scan from the budget estimates how far the budget provisions for essential services are adequate, how the provisions are prioritised in relation to resource accrual, and how far the maintenance of essential equipments is provided for. The engineering wing and the management prefer glamorous new works to routine maintenance. Expenditure on discretionary functions like swimming pools and cultural centres (which may as well be provided by the private sector) appear to dominate the budgets of the corporations, and preempt the maintenance budget.

At the same time, low cost and managerial solutions to cost minimisation, and decentralised technologies for service extension are not explored: emphasis on leak detection and cutting down unaccounted for losses of water, water conservation, recycling of wastewater for industrial use, inducing fuller use of sewer capacity and additional metered connections, inventory control for materials, community-based sanitations of the type seen in Karachi and Mexico, better road
surfacing practices, segregation of traffic, local composting of garbage and minimising long trips for garbage, scientific management of streetlights etc.

**Distributional Inequities and Deficiencies**

There is then the problem of inequitable distribution of services and facilities across different areas and income groups, and the regressive subsidisation of the richer groups in user charges. The VMC does not cover 20% of the population with potable water, even while it continued to take up capital works. The low income areas are relatively worse serviced in terms of sanitation, garbage removal, regularity of municipal services, access to various social facilities etc., The health impact of uncollected waste, overflowing drains, and contaminated water pipes is greater for the poorer groups, though the spread of diseases like the plague does not spare the richer groups as well.

In the absence of a deficiency analysis in different parts of the city, and the prioritisation of expenditure in the budget proposals, it is difficult to see from the budget estimates how far the provisions made for obligatory functions, and essential civic services, are adequate, and how far these provisions will be protected in case of resource shortfall during the year. Expenditure on discretionary functions and facilities (which may as well be provided by state departments and the private sector) appear to dominate the capital works and preempt the maintenance budget: such as sports stadia (not neighbourhood playgrounds), aquarium and snake parks (not colony level parks), cultural complexes (not community halls on a larger scale), large swimming pools (Ahmedabad Corporation incurs huge deficits on their maintenance each year), medical education and big hospitals (as in Bombay at considerable deficit). The rationale of construction of commercial and office complexes out of the own funds of the Corporation in the case study cities is not clear, (especially when the capital outflow is not captured fully through rental premium) as other municipal bodies have shown the way for joint ventures and construction based on advance contribution. The works taken up by the Aurangabad Corporation out of the special grants from the Government do not reflect a perspective of addressing service deficiencies or infrastructure gap for the city’s future development.

In the absence of a city level investment perspective in any of the cities, covering different sectoral requirements, and investment plans of various agencies, as well as the internal priorities of the local body, it is difficult to work out the priorities for the items of investment each year. The capital works proposed out of the government grants for Aurangabad, and the new investment plan, reflect this serious lapse. The land development agencies do not capture the augmentation costs of the water supply utilities, and in fact subsidise the maintenance costs out of capital revenues, as even in the case of CIDCO. The type of localised revolving fund envisaged in the Megacities project has not been installed in the non-metropolitan cities.
Financial Planning

The budgeting procedures, the financial controls and the accounting skills in the four city corporations aggravate the problem of viable finances and cost effective provision of services. One has only to see the municipal budget reform undertaken in Baroda and Madras to see the potential of improved accounting and budget presentation, and rational financial control, in the case study cities. In the four cities, the budget appears to be more an aggregation of departmental claims for increments to existing funding, modified by centrally imposed cuts. It depends on projections of departmental commitments rather than an expenditure plan guided by priorities and strategic objectives.

Deficiencies of Present Budgeting Practices

All the Budgets are prepared and operated on cash basis and not on accrual basis i.e., receipts and payments are not related to the period in which they are earned and appropriated, but on actual receipt and payments. The major drawbacks of the incremental cash based budgeting system in the case study cities, which are common to others as well are:

1. **Excessive Reliance on Incremental Approach:** The previous year's level of expenditure is believed to be appropriate, and additional allocation is sanctioned according to a predetermined incremental rate. Thus, a bias is built into the organisation for continuing the same activities without verifying their relevance and utility. The incremental approach also does not take note of dynamic elements like inflation, the financial priorities and the developmental environment. The same approach was adopted for receipts.

2. **Unrealistic Base for Estimation:** the Budget estimates and allocations were themselves based on unrealistic historical figures, and without having an overall target or ceiling for expenditure in relation to available resources. The compilation of accounts is pending for a number of years in many Corporations. Only primary day-to-day entries are taken care of and the ledger postings and annual accounts are left undone, and this makes the past figures unrealistic as a basis for projections. Incomplete records delay information processing and financial control, while incomplete service records, failure to provide adequately for P.F. and pension claims, and ledgers affect prompt payment to employees of Provident Fund etc., It can also make embezzlement and fictitious billing, as well as loss of revenue easy.

3. **Lack of Development Focus:** The resource allocation and capital works did not take account of the existing imbalances in service provision in different areas, and inadequacies in relation to long term needs, and thus, the Budget did not operate as a tool of strategy planning;

4. **The Pitfalls of Deficit Financing:** The Budget was usually prepared on deficit financing basis i.e., estimating first the funding requirements, and taking care of the shortfall in expected resource mobilisation by inflating revenue projections; both the administration and the Elective Committees are guilty of this, especially when unpopular tax/tariff revision is to be avoided. The result in the case of Aurangabad and other Corporations is heavy deficit (despite the profarma surplus closing balance), and the preemption of future revenues for the spillover commitments. There was no obligation for the spending departments to link their expenditure with revenue realisation, with the result that they...
felt free to utilise their budget provisions regardless of the performance on the revenue front; this led to ad hoc across-the-board cuts in expenditure in the third quarter, such as the one ordered by AMC this year.

5. **Disincentive to Economy:** The unutilised provision for revenue expenditure items lapsed at the end of the financial year. Given the slow start-up for tender finalisation and expenditure in the first half of the year, this impels the departments to rush into heavy, and sometimes imprudent or improper, expenditure in order to utilise the entire provision. Thus the Budget itself becomes the motive force for lack of economy instead of being an instrument of financial control.

6. **Blurred Distinction between Different Types of Expenditure:** As seen from a study of a number of Budgets, the accounting distinction between capital and revenue items was not followed despite the recommendations of expert committees. The introduction of capital budgeting would facilitate the integration of municipal planning of urban infrastructure expansion and their funding from state and local sources, besides assisting in the access to institutional finance. It would provide the economic and accounting basis for the levy of user charges, and also improve the financial discipline of local bodies.

In some cases, the distinction based on fund source-wise expenditure was not always followed, and this affected the planning and control of expenditure. No procedure was worked out for assigning expenses to different departments on account of services provided by departments like accounting or workshop facilities, so that the scope for contracting such services could be explored. It also prevented the correct depiction of the Budget to financial institutions.

7. **Failure to Allocate Loan Charges to Relevant Services:** Loan charges such as interest payments, and repayment of principal, are shown as part of revenue expenditure, instead of apportioning them to the relevant cost centre and purpose. The accounts do not distinguish between interest charges and loan repayments. No information on debt outstanding is given in the Budget. Only in Maharashtra are these shown separately for water supply and sewerage.

8. **No Linkage between Financial Outlays and Physical Targets,** with no criteria for prioritisation of expenditure allocations, or for assessing the productivity of expenditure on different works; the allocations under capital works were often in lump sum for designated works, with no mention of the status of physical and financial progress in the budget.

There was little delegation of financial powers, and every item went up to the Commissioner (as in Vizag), with little internal audit. There are no municipal accounting codes in Karnataka, while in Maharashtra and A.P. it needs revision. The audit is perfunctory, and the Municipal Chief Auditors complain that their objections are not taken seriously.

The problems of realistic budgeting were aggravated by the tendency of the Standing Committee and the Corporation, even in Corporations with sophisticated systems like Bombay, to make arbitrary changes in the estimates of receipts and expenditure (inflating the former to allow for excessive expenditure), and to keep revisions of water charges and property taxes to the minimum. Very few Corporations have undertaken the kind of interactive budgetary exercise with corporators, as attempted by the officials of Baroda Municipal Corporation, in order to allocate the capital budget in different areas according to the level of development, and subject to
the priority agreed with the councillors. The Baroda Corporation also agreed to make the expenditure (in the given order of priority according to spillover liability, transfer to essential Funds, area level works and ward level works) contingent on actual resource availability, and agreed to revised tax rates and user charges to meet the expenditure provision.

**Financial Control**

In addition, the Municipal bodies also suffer from poor financial control and administration. There is no centralised financial control even in a large Corporation like Bangalore. The Accounts Department gets only details of expenditure incurred by the Departments, and there is no preaudit with reference to budget allocation and competent sanction, or resource position. Visakhapatnam generated monthly accounts on the basis of computerised returns from the commercial bank. Monthly cash budgeting system is not in practice, and there is no assessment of minimum resource requirements on a monthly or quarterly basis, with the result that the Corporations often faced liquidity crisis for meeting the bills of urgent and necessary items. This was aggravated by the spending departments not keeping the Accounts department informed about prospective expenditure liabilities. The engineering departments observed no discipline in the preparation of bills for suppliers or contractors within time, and tended to forward bills for payment in a bunch twice or thrice in a year. This affected financial management and created pressures for payment of bills without scrutiny. The failure of working capital and cash management also prevented the assignment of dynamically revised targets for revenue mobilisation to the concerned sections.

There is little internal control system based on: a) proper delegation of expenditure decisions; b) generation of relevant data for meaningful control of expenditures, c) maintenance of up to date financial records and statistics and d) introducing proper checks on expenditure decisions. It is the absence of any working arrangement for internal financial control in the municipal authorities that the state governments often resort to unwarranted measures of external control, which, in effect, further dilutes the objective of municipal fiscal responsibility, and erodes their fiscal autonomy. The capacity for internal control is affected by the low level of accounting skills of the Accounts Department, especially where, as in Visakhapatnam it is possible for any Corporation employee to move up by promotion to be the head of this Department, without any prior training. The Corporations are now required to be Chartered Accountants in some of the states like Gujerat. However, the fact that he is an appointee of the Corporation can also affect the exercise of objective financial control by the Chief Accountant, except for the striking instance of the innovative reforms carried out by the Chief Accountant in Baroda with full support from the Municipal Commissioner and the corporators.

The works tendering procedure is often defective, and tenders were called for every work, however small, resulting in excessive administrative accounting work. The system of annual works contract, as in Bombay, was followed in very few Corporations. The engineering departments also incurred expenditure by drawing advances against the budget allocation indiscriminately in order to avoid procedural checks. The departments are slow to pass necessary adjustment accounting entries after the receipt of supplies or completion of works. The unadjusted entries escape audit scrutiny and the budgetary control system.

The Memorandum of the Maharashtra Government to the Finance Commission observes that the Councils do not clearly show the capital receipts and expenditure, and that the budget
provisions are not strictly honoured. Reappropriation and diversion of funds is freely done, and unbudgeted works are taken up by a mere resolution of the Council, on the direction of the president. There is thus a lot of adhocism in expenditure. As the Councils are required to present a balanced budget for securing approval of the Collector, expenditure and revenue estimate figures are manipulated in order to show a small surplus. The taxes collected on behalf of the Government are not deposited in the Treasury. The liabilities like water charges, electricity dues, loan instalments of financial institutions and Government, etc., are paid, resulting in huge accumulated arrears, and requiring the government to bail out the utilities like the Electricity Board and the Water Supply Board, or postpone essential capital investments by these Boards. The government action to deduct 50% of DA grants towards utility arrears results in the Municipal councils not paying the rest of the arrears, and also induces diversion of capital funds for salaries. The grants received for the payment of pension, and deductions made from salary bills for provident fund, insurance premia etc., are also diverted, with consequent suffering of the employees. The expenditure on establishment is on an average 65% of the income, even without taking into account salary of employees taken on daily wages.

Defective budgeting systems and weak financial control are responsible ,inter alia,for the poor growth of revenues and irresponsible expenditure. In Aurangabad, the Corporation has been accumulating budget deficits year after year despite an impressive growth in octroi income, and has been unable to provide adequately for the payment of pension or to establish a sinking fund for loan repayment, as well as liquid funds for emergent liabilities following Court decrees. The Budget does not present a clear picture of the financial position and loan liabilities in respect of all the case study corporations. When this is coupled with lack of information and effort to cost the various services, it affects the rational levy of differentiated user charges, and the ability to solicit loans for specific works from financial institutions. The Municipal Accounts Codes do not provide for ways to determine marginal and operating cost, or the accounting for municipal enterprises (except for electrical enterprises which are required to follow commercial accounting under the Indian Electricity Act, 1990). The Corporation is faced with difficult decisions to raise user charges multifold as a condition for raising loans, following years of failure to propose tariff revision on the basis of adequate financial information.

Adequacy of Staff and Skills

The constraints relating to the adequacy of appropriately qualified staff to carry out the responsibilities of different urban agencies stem ab initio from the legal and regulatory provisions relating to staff structure, creation of posts, recruitment/selection/promotion of staff, their appointment and transfer, authority for disciplinary proceedings, performance appraisal, salary and service conditions etc.,

The Organisational Environment for Skill Building

Despite the considerable proportion of municipal expenditure on staff, most of them, especially the municipal councils, are characterised generally by low level of skills and efficiency. Unlike the Calcutta Act, the posts other than the City Engineer, Health officer and the Municipal Chief Auditor are not specified in the Act, and it is left to the Corporation to designate these posts and prescribe their eligibility requirements. Again, barring Calcutta, there is no post of chief architect and planner in a number of corporations, and the functional staff in this discipline often work under the city engineer. The level of mechanisation is quite low even in the
municipal corporations, and the use of office equipment usually goes with the exposure of the local body to external aid. In respect of various services, salaries account for the bulk of expenditure.

The promotion of various categories of staff in Maharashtra and Karnataka municipalities, as well as the A.P. Corporations, purely on the basis of seniority to higher positions on the basis of vacancy, results in the posting of people without necessary skills for important positions requiring experience and skills such as the Accounts officer and Assessment inspectors. This is apart from the observation in Karnataka that, in the case of smaller municipalities, they do not have even the benefit of a Junior engineer, and have to depend on the Block engineer for minor works. The Assessment staff in Aurangabad is composed of engineers with little training in valuation. The Chief Accountant in Visakhapatnam had been promoted on the hierarchy as a clerk and had no training and skills for the job. The lower staff do not benefit from skilled supervision and guidance because of the frequent transfer of deputed officers, nor are they exposed to inservice training.

In Karnataka and A.P., the Commissioner is constrained by the fact that he has no control over the appointment to most posts for which the state government is the appointing and disciplining authority, although he is not obliged to defer to the elected body or its committees for appointment to the corporation posts, or the imposition of penalties. As in the case of Maharashtra, the uniform ban on filling up vacant posts, without regard to the effect of the vacancy on the performance of assigned tasks, affects the executive capacity of the Corporation. Because of the prescription of posts to be filled up by different modes and sources, the commissioner has little leeway in the filling up of important technical and accounts posts from the open market or by deputation. He is not the final disciplinary authority for the posts in the state services, nor does he have the final word on their ACR's. His final authority stretches only to the workers and the clerical staff, though he has to contend with the Labour courts here.

The non-transferability of the staff in the Corporations in the three states, whether appointed as part of the state Corporation services, or by the Corporation, could enhance the sense of commitment to city development and loyalty to the organisation, but could also lead to politicisation of the staff at the expense of loyalty to the commissioner, and low motivation caused by stagnation. Where the state government, as in A.P., operates an integrated municipal engineering service (unlike the practice of deputing officers from the PWD in Karnataka), it helps in the rotation of skills.

The heads of departments do not also undergo any systematic training or orientation for jobs requiring specialised skills like solid waste management, performance budgeting and cost accounting, innovative public health engineering, road construction and repairs, participative processes of management etc. As for the Corporations looking after primary education, education planning and pedagogy is still carried on old lines, with little benefit from innovative methods followed in projects like the A.P. Education project. The incentive to acquire additional skills is blunted by the organisational environment and the lack of motivation. This is the context in which human resource development is to be undertaken by the urban local bodies.

**Union Opposition**

Efforts for organisational improvement are often blunted by municipal union activity, especially of sanitary workers and casual labour. as mentioned earlier, they have the option of
approaching the labour courts also. The unions tend to oppose efforts for mechanisation of garbage handling etc., as it may make existing labour redundant, and reduce future recruitment. Privatisation of services, including community pay-and-use latrines, is also opposed for the same reason. The unions go on strike in bigger cities like Bombay to press demands for higher wages, or to protest mechanisation, and hold the Corporation to ransom as garbage accumulates and city starts stinking. The engineers go on strike to press demands for improved service conditions, and also to demand protection from assault of unlawful elements seeking to prevent the engineers from doing their duty. Interestingly, the Aurangabad staff union is reported to have gone on strike to protest against the abusive behaviour of the municipal councillors. Few Municipal managements seek to engage in positive dialogue with the unions for improved services and incentives for better performance.

**Inadequacy of non-conventional and Conventional Skills**

The above picture is of course not uniformly true of all municipal Corporations, as the external aid agencies themselves have avowed. The technical capability of a number of Corporations such as Greater Bombay in the execution of water supply and sewerage projects, and in the generation of internal resources for financing the project, has been recognised. Similar is the capability of Municipal Corporations in Maharashtra and Gujarat in running municipal enterprises such as electric supply, transport, the distribution of natural gas, and the production of coal pellets, methane and gas from garbage. On another front, the capacity of a number of Corporations in Andhra Pradesh, Kochi and Alleppey in the implementation of citywide participative urban poverty alleviation projects, extension of mass literacy and primary health care has been built up on the efforts of dedicated urban community development staff, supportive top management, partnership with voluntary agencies, and sustained action for training.

It is, however, apparent that the Municipal bodies have found it easier to build up engineering skills for conventional construction and public health engineering, than skills of internal and external coordination, financial management, administrative improvement, citizen interface, and speedier decision making under the democratic process. The lack of skills is also a function of the organisational structure and the composition of staff, and inadequate attention to training. The sectoral agencies are not necessarily more efficient because of their apparent insularity from local politics, and the ability to recruit better staff, as is seen from the cost overruns and poor project execution of many of these agencies.

Excepting cities favoured by externally aided or centrally sponsored programmes, there is a deficiency of health assistants and nursing staff with skills and extension approach in maternity and child services and family welfare. In the smaller municipalities, there is no distinction between the sanitation and the medical staff. The municipal dispensaries suffer from the problems generally associated with public hospitals such as apathy, indifference to needs of poor patients, lack of or poorly functioning equipments and facilities, inadequate staff, shortage of medicines and vaccines, dilapidated buildings, inadequate maternity facilities etc. The success of health outreach programmes in the UBSP in a number of cities, and under the IPP in Calcutta, has shown the scope for imaginative use of health staff for total health cover and fee based charges for the people, especially the disadvantaged groups.

The town planning and building regulation tasks suffer from inappropriate planning standards and regulations, cumbersome approval process, inability to take note of the needs of the low income groups and the informal settlements, lack of qualified staff (in smaller cities),
long delays in revision of the Master plan or in sanctioning minor changes, lack of integration with infrastructure planning and execution etc., In Karnataka, the municipalities outside the scope of Planning Authorities in over 80 town are left to the device of a non-statutory plan and building regulations. The smaller municipalities do not have trained town planning staff, with the lack of valuation skills affecting the proper assessment of properties. Layouts are regularly sanctioned by the village panchayats and town panchayats on the periphery of large cities in Bangalore, without the benefit of qualified town planning staff. Without proper survey records and land mapping, it is difficult to detect and proceed against encroachments. The removal of encroachments is often held up by court injunctions. The frequent decisions for the regularisation of unauthorised constructions at higher levels compounds the problem of enforcement.

Despite the considerable attention received at the national level, and in a number of large cities, regarding the proper assessment and valuation of properties for the levy of property tax and vacant land tax, this task has not received adequate attention in most municipalities. The assessment staff often lack the required skills, having been promoted to that position without any training. In a majority of the municipalities, and even in Corporations, general assessment has not been carried out for a number of years. Large number of structures are not listed in the municipal records, and changes in uses or structure of existing properties are not recorded, both of which lead to loss of revenue from property tax and user charges based on rateable value, apart from denying information to the municipality on unauthorised structures or uses. The valuation is both arbitrary and discretionary, often leaving it to the assessment inspector to fix the rateable value, at the expense of the Council's revenues. The inspector is quite often the surveyor, data collector, record keeper, notice server, and the revenue realiser, all rolled into one.

In Latur municipality in Maharashtra, 15000 properties were on the Council record, but the survey by the town planning department showed unlisted 20,000 properties. The Chief officer has no guiding principle to fix the rateable value, and this makes it easy for the council to reduce it on appeal. There is no central information on rental data, and this encourages differentiation of similar properties. There is inadequate effort to ensure the collection of arrears and current demand of property taxes, or to pursue cases filed against the assessment in the Courts. There was no prioritisation of high claim defaults.

The assessment officers in Aurangabad are drawn from Deputy engineers, with little training in valuation, and ever eager to get back to the engineering posts. As with other staff, the valuers tend to follow routines and ready reckoners, and the absence of detailed criteria, of the type recently laid down in A.P. and Patna, gives scope for personal discretion. This impacts on the development of the lower level staff as they get little guidance from the superiors.

The effect of the lack of accounting skills on budgeting and financial control is seen in the problems of the type described earlier. The Corporations find it difficult to gear themselves for improved assessment in the absence of a cadre of competent staff, as found in a number of other corporations. Even Visakhapatnam will find it difficult to implement the much improved assessment system in the absence of efforts to build up a dedicated assessment cadre. The engineering departments face the problem of skill mismatch in that civil and mechanical engineers untrained for public health engineering, and vice versa, are called upon to discharge these tasks by virtue of internal posting or promotion without the benefit of technical training.
Sometimes, there are no mechanical or automobile engineers for the upkeep of vehicles and engineering/health equipment.

Some disciplines such as architecture are not provided for in most Corporations. Solid waste management is not considered deserving of a separate skill-based department, and is lumped together with the Health Department in the four corporations, leaving it to the engineering section to take care of the equipment. The examples of Ahmedabad, Delhi and Bombay in constituting a separate conservancy engineering department could have been followed. There are no special skills built up for education planning and pedagogy, and the innovative methods followed in the sector elsewhere in the state pass the corporation by. Another important, relevant to the new strategy of decentralisation and community based services, is the urban community development wings of the type built up assiduously in Visakhapatnam. However, the UCD wing enjoys less prestige in the corporations in Aurangabad and Bangalore, while it does not exist in Mangalore, partly because of the lack of stimulus of an external grant.

Establishment Expenditure and Skills

There is growing concern in the state governments about the rising expenditure on staff salaries and contingencies, and this is borne out by the figures for individual cities. This is despite the restrictions enforced on additions to staff strength. The Maharashtra government has not been able to enforce the ceiling for Aurangabad, and the percentage of expenditure has often gone beyond 50%. Despite this, the Corporation officials complain of inadequate staff with the right skills in essential divisions. This is partly due to the failure to carry out a cadrewise analysis of staff in different disciplines, with reference to workstudy and functional norms, and to project a correct picture of the staff needs in different departments with reference to available strength, the scope for redeployment and retrenchment, net additional needs, etc. The strength of various engineering divisions, the staff in health and social services, are all assessed with reference to state departments, and not with reference to the functional need.

The problem is aggravated by the high proportion of sanitary workers and engineering gang mazdoors with low productivity, and the difficulties faced from both the political element and the Unions in their retrenchment or reducing their additional intake. The level of supervisory staff and gazetted staff as a proportion of total employees is quite low, even as there are vacancies of key operational staff. The Visakhapatnam case of inability to retrench over 600 unwanted gang workers, while facing shortages of stenographers, pump operators, drivers and plumbers, is a typical case, and this is aggravated by the unwillingness of the government to permit the commissioner to fill up vacancies on merits. The periodic increases in the salary scales and dearness allowance of the state government staff leaves the corporations with little choice except to follow suit, even in respect of non-productivity-linked bonus, with serious consequences for the finances and the erosion of surplus for development expenditure.
Impact on Execution and Service Norms

The time taken for minor or major works is usually much more than what is normally taken for private works. The qualified contractors are not usually attracted to quote for municipal works (though they may quote for Corporation works) because of delays in approvals and payments, and political interference. The works also suffer from shortage of materials, equipment and other facilities. There were the usual contractual problems of delay, default in performance, litigation over payment, consequent cost increase in the project, poor quality of execution etc., as pointed out by the citizen groups and the Audit reports. The World bank reports are critical about the contract management of even organisations like the U.P. Jal Nigam and the Bombay Municipal Corporation (for sewer works). The gang workers in smaller cities do not often have skills for leak detection, water lines maintenance, street lighting etc., The activities, problems and causes are summarised in the table in appendix.

A number of smaller municipal councils do not even have the benefit of a health officer and depend on the government health officer. As regards conservancy under the public health department (except for a few Corporations like Bombay, Delhi and Ahmedabad which have set up a separate conservancy engineering department), the sanitary inspectors are skilled only in supervising garbage collection, storage and movement by trucks, but not in people-oriented and comprehensive approaches to solid waste management of the type attempted in Ahmedabad. The division of responsibility for roadside drains and storm water drains, as well as for commercial and market waste, leads to lack of coordination in street cleansing and waste collection, even in bigger cities. The sanitary staff are also not fully equipped for food sampling and testing, collection of vital statistics, epidemic control and pollution control (especially the disposal of hazardous industrial wastes and hospital wastes). The problems created by inadequate arrangements and staff attitudes for waste collection, storage and disposal, within the scope of epidemic prevention, has been documented in a number of cities, and preventive action initiated, in the context of the outbreak of the alleged plague a year ago. At the same time, the level of garbage collection and coverage of uncovered areas in different cities, that was achieved during the brief period following frenetic activity in the wake of the plague threat, shows both the potential efficiency and the achievement gaps.

In a number of states like West Bengal, there are no norms related to service delivery standards and levels of functional responsibility. The number of ULB employees per 1000 population in West Bengal varies from 1 to 4, and 40% of the ULB's have less than 10 employees per sq.km., Casual workers formed 10 to 20% of total staff. The Kerala Government had issued an order in 1977 laying down norms for staff strength in municipalities, such as one clerk for every 5000 assesses, 3 clerks for one accounts officers in the I grade municipalities, 1 clerk per 150 sanitary workers in the Health Department, 2 clerks for each engineering section, and junior engineers for Garde I municipalities. The Committee on Solid Wastes has suggested norms for sanitary workers for different cities. However, the actual appointment against these posts is subject to state approval for posts carrying more than a particular pay (as mentioned earlier), and the recent ban orders in a number of states for all posts. In West Bengal, the municipalities are allowed to enhance the staff strength by 1% by each year, but this helps less the smaller municipal councils where 1% does not add up to one post. The norms for sanitary workers and lower level posts, or essential posts like road roller driver or ambulance driver and pump operator, are often met by the Municipal Councils by unauthorised recruitment in West
Bengal, because of the delay in government sanction. These unauthorised posts are not eligible for D.A. grants and eat into the funds meant for O&M expenditure. The Karnataka State Finance Commission is believed to have addressed the issue of staff norms.

The level of mechanism is quite low, and the use of even basic office equipment such as the photocopier, computers, electronic typewriters etc., is confined to either the specialised project units, or is held up by want of conversant operators or Corporation sanction. Expensive health and hospital equipment lies idle for want of operators or small parts, and the cold chain for immunisation is disrupted by non-functioning refrigerators. Lack of mobility affects the functioning of health staff, engineering staff and inspectors. Maintenance of streetlights is affected by the lack of cranes for reaching tall poles. The use of modern equipment for garbage removal in Vizag is hampered by delay in government sanction. The usual spectacle of road rollers, engineering equipment, water and sewage pumps, and vehicles being inoperational for want of staff, or being spoilt by untrained staff abounds in the four cities as well.

**The Position of Parastatals**

Maharashtra's utilities in the field of water supply and sewerage, housing and area development, and industrial development, have generally been able to build up their own cadres of staff, and this has helped in the long term career development and skill building of the staff. The pay scales are comparable with the state government. Despite the absence of political control over the staff, there have been problems with the unions and stagnation in career. The parastatals in Karnataka have depended more on deputed staff for planning, engineering, accounts etc., and the turnover of staff affects the execution of schemes. The uncertainty about the volume of work and fund availability prevents their management from thinking in terms of organisational cadres. The senior technical personnel tend to have a technical rather than a corporate and managerial orientation, and the absence of long term in-service training programmes affects the building up of skills. A similar problem affects the development authorities in A.P., although there is no problem of adequacy of staff as far as the engineering cadre is concerned. The Hyderabad Metro Water Board is a good example of autonomous personnel management, performance rating, incentive system, skill-based promotion etc.,

**Efficiency and Internal Organisation**

The efficiency of urban institutions is also affected by the internal management structure, delegation of powers, functional and geographic decentralisation, lines of control and supervision, and the system of punishment and incentives. There is the irrational organisation of functions under different heads of departments, and the distribution of sections among different chief/additional chief engineers in Aurangabad is uneven. The interlinkages of functions between different departments is not recognised, or built into the reporting system of the employees. There is little interaction with the people (except for the Urban Community Development staff in slums) for needs assessment, and attendance to complaints through the enquiry system at the wards or the head office is perfunctory, as evidenced in the case of Bangalore by the survey (to which reference was made in Chapter 2).

There is multiple reporting of the same functions at the top level, and the Commissioner does not get enough support for the supervision of routine tasks.(He is himself often loaded with tasks not germane to his post.) He is required to provide coordination between different departments without any structured interface between them, such as the turnout of vehicles for garbage
collection, or the control over dumping of refuse in the drains by sanitary workers, or the report of all building permissions to the assessment department, or the report of encroachments by all the field staff to one single unit. The Commissioner, or the chief executive, of course, often compounds his problems by the failure to delegate, and by not undertaking a rational distribution of functions and a sound organisation structure, even within existing constraints.

**Incentives and Remuneration**

The lower remuneration in the Corporations, apart from the lower status the municipal jobs carry vis a vis state agencies, are certainly factors deterring the entry of high grade graduates and technicians from seeking employment in local government. However, they do not seem to deter large number of applicants from applying for the few vacancies advertised by the Corporations and the Public Service Commissions. The basic salaries and allowances of municipal employees are certainly greater than those working in the informal sector, and the job is seen as carrying a secure pay till retirement and some official status in the eyes of society. The recruitment difficulties operate much more at the higher levels, and for technical posts like the Chief Accountant. This is seen from the differential of only 7 times between the take-home pay of the humblest sweeper to the municipal commissioner(this is in comparison with 8 to 12 times in Mexico and 14 to 20 times in Brazil). Between the bottom of class III and the top of Class III, there is a differential of only 4 times. The compressions of salaries is compounded by the division of each grade into numerous small incremental steps, with the progression within the class II taking, for example, an average of 20 years. There are few incentive payments for higher collection in the revenue departments (as experimented in the Karnataka state transport corporation, and in the case of octroi collection in Ahmedabad).

The key problem with municipal remuneration is that there is no way of ensuring due output from the staff. Neither incentives nor penalties for performance are structured into the system. Salary scales are compressed; movement up the scale is in small steps and is practically automatic; promotion is scarce and the appraisal systems do not count much; employment is secure. It is also not proper to compare municipal remuneration levels with the private sector without abstracting the tangible and intangible benefits of a career in public service, or without enforcing similar benchmarks of productivity and performance assessment.

**Promotion and Performance Appraisal**

The officials from the integrated state services look out for promotion opportunities within their respective cadre, even while the corporation employees in different cadres complain of limited promotion prospects and stagnation at current pay scales. The bunching of the class IV staff at the bottom illustrates the scarcity of promotion opportunities at this level. To the extent promotion does take place at lower levels, seniority and reservation quota seem to be the important factors. The available posts are reduced further by delays in permission to fill up vacant posts.

In the course of a sample survey of municipal officials undertaken by the I.I.P.A. New Delhi, it was found that the municipal officers in general have little trust and confidence in the fairness and objectivity with which the job performance of officials are assessed through the ACR's (especially where the C.R.'s are written by the political executive); nor do they take interest in recording the performance of their subordinates. They also do not hope to get support from their superior officers in case they rate their subordinates too high or low in their performance.
Because of the fragmentation of executive power among different authorities, the practice of formal and systematic performance appraisal of municipal employees has not struck roots in India.

It is recognised that the ACR in the present form is not a good index of the intelligence and ability of an employee, and often reflects the prejudices of the reporting officer. Merit is more likely to be used as a negative concept; poor performance may disqualify candidates. The common grading at the time of preparing panels for promotion does not correspond to the relative abilities and performance of the employees. Because of the pervasive distrust of the ACR’s, the organisation action in regard to rewards and punishment do not follow from the actual performance on the job. Capacity of the employee to mobilise local influence rather than his performance on the job becomes the main means of seeking opportunities for promotion or rewards. It is equally difficult to discipline staff. Where promotion is scarce, and is based mainly on seniority, there is little punitive meaning in withholding it. Departmental enquiries never see the light of day, because the conclusions are often challenged in courts.

The housing and development authorities in Maharashtra have a system of rewarding good suggestions from the employees for improved procedures or better execution of works, and sometimes accelerated increments are awarded. In general, however, the performance appraisal is patterned on the state government, with no provision for the specialised nature of municipal functions.

As mentioned earlier, municipal employment offers security, and not the chance of career opportunities and progression. Striking individual success, in the context of unionisation and industrial disputes, is a cause for suspicion, and being passed over for promotion or reprimanded for job-shirking is cause of legal redress or union action. Added to this are increasing instances of alleged molestation and ill-treatment of women employees. Within the existing administrative culture (which is not atypical of local district administration), performance is seen less as a matter of output than of due conformity with hierarchy and conformity with procedure. The thrust for achievement-oriented and citizen-responsive styles has to contend with this inertia and routinised mindset.

**Corruption in Urban Government**

Some of the corrupt practices and acts of moral turpitude, referred to earlier, have organisationwide and city level consequences such as the effect on the finances of the agency, quality of construction and services, bad quality materials, congestion and inconvenience to the public from unauthorised structures and commercial uses, pollution from low collection efficiency of garbage transporters and unprosecuted discharge of effluents by industry and trade, traffic snarls and vehicle deterioration from poor workmanship of road construction, etc., These instances involve collusion with the offender and the seeker of wrongful benefit from the local authority. Many acts of corrupt behaviour, however, affect the citizen directly, such as the demand of speed money for the sanction of building plans and grant of various licences, for the receipt of possession letter for houses and plots, for attendance to routine repairs of civic services, for the grant of water and sewer connection, for the receipt of loans and subsidy for government welfare and housing schemes, for the correction of wrong billing of services etc., the payment of 'tolerance money' to the municipal field functionaries by the informal sector, pavement dwellers, slum-dwellers, hawkers etc., for continued occupation of existing space, or
for the enjoyment of civic services and power supply, come under another category, similar to 
behaviour by the law enforcing agencies.

Most of these corrupt practices arise at various levels of bureaucracy, although some may 
have their origin in the committees of the Corporation, such as the grant of shops and plots, 
approval of tenders for works and materials, remission of fines and penalties, condonation of 
unauthorised use of land and construction, reduced fixation of rateable value, recommendation of 
variation in Master plan, condonation of penalties proposed against employees etc., The direction 
to Corporations by the Government for relaxation of rules, or for special dispensations in favour 
of individuals or employers, comes in the category of governmental behaviour.

The scope for corruption was of course was created by the web of rules and regulations, the 
complex procedures, the rent seeking behaviour of individuals and institutions, scarcity of land 
and services, the generation of black money, the rewards of unauthorised constructions and 
misuse, and the power of the bureaucracy to bestow favours or speedy action. This has been 
documented in reports of expert committees starting with the Santhanam Committee in 1964, the 
Wanchchoo Committee in 1971, and of various State Vigilance Commissions. The very process of 
simplification of rules and citizen friendly procedures, transparency in administration and 
objective criteria for taxation and the issue of various licences, and a speedy system of grievance 
redressal is expected to reduce the incentive and opportunity for corruption in municipal and 
public administration.

The Bangalore Report Card

In its important study on public services in Indian cities in 1995, the Public Affairs Centre, 
Bangalore, presents the view on public services in Pune, Bangalore and Ahmedabad from the 
citizen perspective. It also provides a report card on the public agencies in charge of different 
services in terms of quality, adequacy and efficiency, time and costs incurred by the public in 
their transactions with the agency. The agencies covered in Bangalore included the BDA, 
Municipal Corporation, the Water Supply and Sewerage Board, Electricity Board, Regional 
Transport organisation, Telephones, Banks and hospitals.

The survey brought out the fact, inter alia, that the respondents often had to pay speed money 
or bribes to get their work done, speed money here being used in the sense of illegal payments 
which customers have to make in order to speed up a decision or response in their favour, or to 
simply avoid harassment or non-response. It has to be distinguished from voluntary payment by 
the customer, called in North India as 'bakshish'. Speed money certainly adds to the normal 
transaction cost of dealing with public agencies, such as registration fees, cost of forms etc., 145 
of the respondents in Bangalore admitted having paid speed money to the staff concerned 
directly or through agents. Every third person dealing with BDA, and every fourth person dealing 
with the Municipal Corporation had paid speed money. The total amount of speed money paid to 
all the public utility agencies in Bangalore was estimated at Rs.7 crores per year. BDA tops the 
list of average speed money paid in Bangalore, at Rs.1850, compared to Rs.656 for the 
Municipal Corporation and Rs.275 for the Water Board. While 62% of the respondents felt that 
the practice was wrong, 16% felt that they had no option but to pay. There were instances of 
people having to make repeated visits to the agency because of refusal to pay speed money. 
Similar results were noted, though to a lesser degree in Pune and Ahmedabad. On the contrary, 
the view of the lower level officials in the public agencies was that there was nothing wrong in
accepting a small gratification for performing arduous services, and that speed money at their level was nothing compared to the high level of corruption for favours done by the top management or political bosses. It was of course difficult to verify the veracity of this allegation.

In the context of land development and housing, the complexity of administrative procedures, especially in the context of urban agglomerations in this study covered by the Urban Land Ceiling Act, causes considerable delay in getting development permissions, and bulk of these costs are passed on to the consumers, while part of the profits of the developers in this process is believed to have gone to the various officials in charge of various permissions. The hassle of getting these permissions pushes out the small developer and the individual from the real estate scene. The requirement of payment of 50% of the land value increment to the landowning agency at the time of each transfer in Delhi turned law abiding citizens into tax dodgers and obliged them to enter into conveyances via powers of attorney. They also submitted themselves to pay hush money to the law enforcing officials for unauthorised alterations in the allotted houses.

Given the nature of the land market, up to 40% of the residential land price is believed to be paid out by developers in black money. Normal approval process is reported to take in Delhi 6 to 8 years, from land allotment to construction permission and service provision, with permits from the Planning Authority, Fire Officer, the Inspector of Factories, water and electric utility, Pollution Board (where applicable), Urban Arts Commission, Airport Authority, Defence and police (where applicable) etc. At the same time, there are remarkable instances of issue of order of land possession, planning approvals, and construction plans with significant concessions being allowed within a few months. One has only to read the observations of the High Courts of Delhi and other cities in cases involving builders to understand the dimensions of this problem.

**Conclusion**

In every sphere of urban services, the provision and management thus seem to be characterised by inadequacies, ineffectiveness, and unresponsiveness, and the signs of deteriorating and overstressed service systems are present in all but the most affluent and insulated areas of the cities. The financial position is under severe strain, because of imprudent management, poor tax administration, low cost recovery, and inadequate financial controls. With some exceptions, the city administration is characterised by lack of accountability and transparency, and the frustration of the citizens, especially the poor, over deprivation of services and problems of securing various permissions.

The present efforts for capacity building do not address the needs of organisational development of municipal bodies and functional agencies, in the context of decentralised government and people-friendly systems. The final Chapter looks at ways of resolving the critical constraints to effective urban government and the required measures for strengthening urban government institutions.
Chapter-III

CAPACITY BUILDING AND TRAINING FOR URBAN GOVERNMENT

Training and human resource development for building up the capacity of municipal and urban government institutions have to be looked at in the broader context of organisational reform, the imperatives of decentralised and responsive government in urban areas, and the operating environment for urban institutions created by state governments. Capacity building has to subsume the increased capabilities of higher level governments on the one hand, and the various partners in civic society on the other, including elected representatives and citizen groups.

Training Requirements

In its Paper on National Training Strategy, the Human Settlements Management Institute (HSMI, 1993) has estimated the total number of municipal employees in 1990 at 7,22,580, with the statewise breakup as indicated in the Appendix. It is reported to be 1,85,46 for Karnataka, and estimated at 68,129 for Andhra Pradesh and 230,113 for Maharashtra (the large differentials mainly reflecting the different numbers at the Class III and IV levels). However, of these, about 5.32 lakhs are at the subordinate and labour level, and 1.77 lakh at the junior administrative and technical level. The estimated persons at the senior administrative and technical level is only 6,440 (constituting less than 1% of the total), and those at the middle level 2,730 (or about 3%). Apart from the municipal staff, the special agencies like development authorities, public health engineering, and town planning directorates, have large staff estimated to number about 25,000. Some of these are transferable to state departments or municipal bodies, or form part of a common state cadre.

The numbers working in the urban development and infrastructure sector, in the broader sense, will substantially increase if we add the staff working in the state departments and public agencies like the Housing Boards, Highway engineering, city transport (from the local authorities or the State Transport Corporation), environmental control agencies, those engaged in the development of industrial estates, the personnel in the Cantonment Boards, and the state personnel engaged in the provision of health services, nutrition etc., in the urban sector. (The HUDCO-ODA Training Needs Assessment of the Human Settlements Sector in 1988 assesses the total number of professionals in the sector at 155,000 [HSMI, 1988].) The UNDP survey of training needs in the water supply and sanitation sector (1992) estimates that about 50,000 professional and technical staff (including graduate and diploma engineers) and up to 0.75 million other staff are in place in Urban Water Supply and Sewerage utilities throughout the country. The widespread introduction of projects for Urban basic services has generated a large demand for the training of personnel of municipal and service agencies, elected councillors, community groups, community volunteers and teachers, and voluntary agencies, which is being addressed as a part of the Central Programme for UBSP and state level externally aided projects. The numbers in this regard will increase after the full fledged implementation of the Prime Minister's Urban Poverty Eradication Programme.
The recent report of the consultants on training needs assessment in Karnataka estimates that there are 40296 employees in 176 urban local bodies of whom 3749 are in Administration, 30370 in Engineering and sanitation, and the rest in water supply and other services. Apart from this, there are staff to be trained in the state and city level functional agencies and development authorities.

The Supply Side of Training--National and Regional Efforts

Municipal training in India was initiated first by the Bombay-based All India Institute of Local Self Government (AIILSG), with the commencement of diploma courses for the municipal staff, followed later by a few functional courses. Barring the full time diploma course for the Sanitary Inspectors, the municipal staff courses were part-time and attracted only junior staff due to the poor quality of institutional support and course content. Barring Nagpur University, the other academic institutions did not start any course for local government staff. The course content in the fifties in the Indian Institute of Public Administration, New Delhi (IIPA) also tended to be academic, reflecting the faculty bias and the general lack of training culture in the country at that time.

The Nur-ud-din Committee, appointed by the Central Government in 1963, suggested the setting up of central and parallel state training institutes to train municipal employees, and conduct policy seminars for the elected councillors. As a result, the Centre for Training and research was set up in the I.I.P.A., with central grants. in 1966.(this was later named as the Centre for Urban Studies) This was followed by the establishment of other regional centres in the AIILSG (for the western region), the Indian Institute of Social Welfare and Business Management in Calcutta (for the eastern region), and the Lucknow University (for the Central and North India) in 1968, and in Osmania University, Hyderabad (for the southern region) in 1970. The Calcutta centre was closed in 1982. In 1980, following an evaluation by the Central Ministry for Works and Housing, the centres were renamed as Regional centres for Urban and Environmental Studies, in order to signify their coverage of various other functional agencies and concern with environmental issues also in urban areas. They are expected to undertake research in relevant areas and draw up a training calendar in accordance with the advice of an Advisory Committee set up by the Central Ministry. They (barring the IIPA) also function as the State level training institutes under the UBSP Programme with UNICEF assistance. Their calendar includes training activities to subserve important Central Schemes like the IDSMT, or the special needs expressed by the state governments in the region, such as the long term and refresher training of senior municipal personnel by AIILSG.

The support of the Central Ministry of Urban Development (now termed MUAE) for the regional training centres and the Indian Institute of Public Administration (IIPA) has continued over the years in the form of annual grants for expenditure on the approved faculty and establishment and the conduct of various courses in accordance with the advice of the Advisory Committee of these centres. A total sum of Rs.101 lakhs was released to the four centres in 1994-95, and the centres are reported to have conducted 105 training courses during this year, besides 12 research studies. The IIPA centre organises about a dozen short courses annually (such as the impact of economic reform and then 74th Amendment, urban planning, urban law, poverty alleviation, slum improvement and environmental management) and trains a little over 200 senior and middle level participants from various urban agencies, with the majority coming from non-municipal authorities.
The courses organised by the three regional centres are more focussed on the local needs as well as the UBSP activities. The Hyderabad Centre organised management development programmes for municipal personnel, various workshops under the UBSP and ODA projects for the community development staff of the municipal bodies, and for senior officials and technical staff of the Corporations and functional agencies, for the community leaders and elected representatives, and for exchange of project experience. The Centre also organised in house training programmes for state agencies like the Hyderabad Urban Development Authority, and the Hyderabad Metro Water Supply and Sewerage Board (HMWSSB). It has undertaken evaluation studies and surveys for the A.P. Government and UNICEF in the area of urban poverty alleviation, savings groups etc.,

The AIILSG has good premises and infrastructural facilities and hostel in Bombay, and also operates training programmes in the states of Gujarat, Karnataka, Madhya Pradesh, Orissa etc., It also organises need based courses for the municipal personnel on a peripatetic basis. It organises in service training courses, stretching over four months, for senior and junior municipal employees, diploma course for sanitary inspectors, and a nine month training programme of newly recruited Municipal Chief officers on all aspects of municipal government(67 of them in the last five years). It also runs long courses for hospital administration, computer programming, firemen certificate course, medical laboratory technicians, and nutrition management. It has a full fledged solid waste management centre for running various courses in this area. It operates specialised courses for municipal and urban personnel on a variety of topics, and has taken up also orientation courses for the elected representatives and women, in the context of the 74th Amendment. It undertakes consultancy assignments for the government agencies and local authorities, publishes journals and studies, and organises conferences. About 22,000 persons are reported to have been trained in various short and long term courses in the last five years. The Institute has a comprehensive sweep in training, and maintains close links with the Government of Maharashtra in particular for its specialised needs. It undertook a number of studies for the State Finance Commissions, for example. It has established links with international training institutions also, and is staking its claim to be a national level training and research institution.

**National Level Institutions**

Only the Human Settlement Management Institute (HSMI) (the training wing of HUDCO) can claim to be a truly national institution for training in various aspects of human settlements development. The Centre for Urban Studies in IIPA runs only general courses for urban personnel in an unstructured way, has inadequate faculty and support services, and does little networking with other institutions.

The National Institute of Urban Affairs was established in 1976 with mandate for undertaking research on various urban policy issues through constant interaction with the Central Ministry in charge of urban development, and with the state governments. It has not forayed much into the training sector, barring occasional training courses for urban managers, and recent efforts for devising training programmes related to the USAID assisted FIRE programme in selected cities. It is also involved in supervising the training content of the UBSP, as part of its overall responsibility for this project. It would be more true to describe the NIUA as a research and consultancy organisation, than as a training organisation.
The Town and Country Planning Organisation (TCPO) of the MUAE has been involved over the years in jointly organising, in collaboration with the Development Assistance Group in Birmingham, once a year for urban professionals, ODA assisted courses for Management of Urban Development. It is assisting MUAE in the recent exercise for the assessment of training needs and the strengthening of existing training institutions. It would be more appropriate to describe the TCPO as the supportive organisation at the national level for training in the urban sector. It has a unique role in equipping the state town planning departments and the urban development authorities in the formulation of District and metropolitan plans for the Planning Committees established under the 74th Amendment, and in helping the states in upgrading their capabilities for operating flexible and enabling town planning laws and regulations.

The HSMI has been set up in 1985 as a wing of HUDCO to support, on the one hand, the realisation of the desired results from HUDCO's lending operations, on the one hand, directly by training the HUDCO faculty, and indirectly, by improving the efficiency of the borrowing agencies. (There is a proposal to hive off HSMI as an autonomous training organisation attached to HUDCO). HUDCO itself has the mandate, under the National Housing Policy, of expanding the availability of finance for shelter and infrastructure services for public and private agencies, and cooperatives, at affordable terms, with special reference to the needs of the lower income groups in urban and rural areas, and to improve the organisational and financial capacity of the borrowing agencies from the housing, infrastructure and municipal sector in the process through the terms of lending, technology support and training.

HSMI has also assumed the role of undertaking activities, which support at the national level, the human settlements the human settlements and urban development sector as a whole, and covers in its annual agenda subject areas and target groups which go beyond the traditional concerns of a financial institution. It is estimated to have trained over 3500 professionals from different functional agencies and municipalities till the end of 1994. These include: a) mid level career officers of housing boards and other borrowing agencies; b) staff of non-governmental organisations; c) trainees in decentralised training programmes in collaboration with local training institutions such as the ATI, Mysore, and MHADA, Pune; and c) trainers from the banking sector and the higher administrative services. It has benefited from a ten year Government of Netherlands-supported Indian Human Settlements Programme, involving sustained technical inputs from the Institute of Housing and Urban Development Studies, Rotterdam. This partnership is proposed for extension, with the accent on decentralised training overseen by HSMI, from Delhi and at the local level.

The HSMI courses cover a wide variety of subject areas such as: housing development and finance; urban infrastructure; solid waste management and low cost sanitation; computer applications; urban development and poverty alleviation; urban infrastructure; housing construction and technology; disaster prevention and rehabilitation; environmental impact assessment; women and human settlements; integrated development and investment planning for urban areas; capacity building for HUDCO professionals; and training programmes at the request of user agencies. It has also taken up programmes for local professionals and urban personnel in Karnataka, Rajasthan, Uttar Pradesh, Maharashtra and Trissur, in collaboration with local agencies and training institutions.

It has supported over 100 research studies through its own faculty and outside specialists. It has developed a lot of course material and documentation relevant to training. It participated in a
major countrywide research project, together with the Institute of Urban and Housing Studies, on sustainable urban development, to document best practices, in the context of Habitat II Conference documentation. It is spearheading a regional network of research and training organisations in the ESCAP region. Its training has not so far had a specific municipal training focus, although most of the trainees in the Karnataka programme come from municipalities. Its focus, during the next phase of its operations over the rest of this decade, would be to pursue decentralised training for urban development in collaboration with identified state institutions, such as those in Uttar Pradesh, Rajasthan and Karnataka. It is also seeking to develop a training strategy in pursuance of the urban management needs of the 74th Amendment.

This has in fact led to the formulation of the state level training strategy for urban government personnel, structured on networking and collaboration of sectoral agencies and regional/local training institutions, with their own backgrounds, experience and mandate. This networking can assist in the implementation of a multidisciplinary effort for state level training plan for urban government institutions.

**State Level Efforts**

The initiative for providing training facilities has generally come from the Central government in almost all social sector areas. The state engineering departments in states like Maharashtra have set up their own training institutions for their own personnel, but these do not cater to the needs of the municipal personnel, except where, as in A.P. there is a combined cadre for municipal and state engineering personnel. Where the state governments take up externally aided projects in primary education, primary health care, nutrition. urban development and urban infrastructure, the municipal personnel get the benefit of the training programmes forming part of the Project, as in the case of the ODA assisted primary education and School Health project for the entire state in A.P. (benefitting cities like Visakhapatnam also), or the India Population Project in Bangalore undertaken by the Municipal Corporation, or the urban development projects in Tamil Nadu and West Bengal. It is generally not possible to discover in the state budgets specific provisions for training urban government personnel from out of the own resources of the state. This was deemed to be covered by the general provision for training various government employees, or by slots available in training courses sponsored by institutions assisted by Central government.

It was therefore difficult for the Central Ministry to persuade the state governments to set up their own dedicated training institutions for urban government personnel. West Bengal was the only state to take advantage of the World Bank assistance for setting up an exclusive institute for training local government personnel with all the necessary facilities and staff. Few state governments have established training institutions exclusively to train the urban government personnel, such as the Institute of Local Government Studies in Calcutta (for the municipal and urban personnel of West Bengal), the Centre for Urban and Environmental Studies in Trivandrum (Kerala), the State Institute of Local Administration in Trissur, and the Kerala, the Municipal training centre in Coimbatore, Tamilnadu. Karnataka state proposes to set up a State Institute for Urban Development, which will be engaged in training, research and advisory services (for the formulation of policy, guidelines etc.)

Out of these, the West Bengal Institute has the best infrastructure, faculty and track record for training elected municipal authorities and municipal officials, and the functionaries under the
UBSP. They publish one of the very few state level annual urban statistics on finances and facilities, and various schemes. Apart from these specific training institutions, organisations like the Madras Metropolitan Development Authority (MMDA), Calcutta Metropolitan Development Authority (CMDA), and the Bombay Municipal Corporation (GBMC) have their in house training cells for training the personnel in the World Bank assisted and other activities.

The State level training institutions, meant for various employees of government agencies and departments, also undertake training programmes for urban institutional personnel, usually with the help of outside faculty. These include: the U.P. Academy of Administration, Nainital; the Rajasthan Institute of Public Administration (RIPA); the Administrative Training Institute of Karnataka at Mysore (with whom the HSMI has an ongoing collaboration programme for various urban training programmes, and under whose aegis the proposed state Institute for Urban Development will function); the Maharashtra Institute of Development Administration in Pune; the M.P. Association of Development Authorities etc.,

Training for Housing Sector

Training inputs related to urban and municipal administration are provided through the training institutions and activities connected with housing as well, the HSMI being an example of such integrated provision of training at the national level. The Department of Employment in the MUAE, and the state Housing Departments, have been supporting such training activities in about 20 centres including in the Regional centres, the National Training Institutes, Schools of Planning and Architecture, specialised Institutes such as those in Bhopal and Delhi, the national Institute of Construction Management and Research, the centre of excellence for building technology, and international institutions like the Institute of Housing Studies, Rotterdam.

The total number of professionals trained in this process may not exceed 1% of the total staff strength, according to the HUDCO-ODA study quoted earlier. The Maharashtra Housing and Area and Development Authority (MHADA) has taken the initiative to set up, and operate over the last few years, an in house Professional Development Centre for its staff (with consultant input from the ODA), and is extending its reach to the personnel of municipal and urban institutions as well. It collaborated with the Centre of Urban Studies, Pune to devise special training capsules for different categories of staff, and in different areas. Under the World Project assisted urban projects in different states like Maharashtra, Tamil Nadu and Madhya Pradesh organised courses for the project personnel in India and abroad.

Urban Water Supply and Sewerage Sector

The Central Public Health and Environmental Engineering Organisation (CPHEEO), under the Ministry of Urban Affairs and Employment, sponsors, in various Indian Universities and training institutions, a post-graduate course in Public Health Engineering, a three month Programme for diploma engineers, and an annual programme of short refresher technical courses. Upto March 1994, the post graduate programme (which originated in 1948) had produced 1798 Masters degree holders out of in service engineers of various state and central organisations concerned with the sector. Upto 1994, the three month programme had produced 2124 certificate holders, the specialised courses in project formulation and computer design had benefited 221 persons, and the refresher courses had benefited 11296 staff (with a certain amount of duplication as some have attended several courses). The number of refresher course subjects

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has increased from 3 to 31 over 1972-92. The utilisation of the three month and post graduate courses has been weak, with 40% and 20% of the places respectively not being taken up. The recent initiative of CPHEEO to commission training materials for various courses in public health engineering, but these are too academic. The overemphasis of the training modules on design and construction, and the neglect of managerial and financial aspects, as well as urban sector coordination issues, is a matter of concern.

Overseas training (through WHO fellowships for study tours in water supply, sewerage and solid waste management, or slots for captive courses or for attending identified courses in U.K. through ODA assistance, and World Bank Project related foreign training) has been a feature of sector training for many years, although it is more expensive compared to the option of building up local training institutions.

Thanks to the technical assistance component of World Bank assisted projects over the years, and bilateral assistance, the water supply utilities in a number of states are also running training centres, the good examples being Madras, Bombay, Gujarat and Kerala. The Maharashtra Water Supply and Sewerage Board provides training to its own staff and the municipal engineers in its training centre at Nashik (benefiting about 700 trainees during 1991-92 for example), and also runs courses for the CPHEEO. The Hyderabad Metro Water Board has devised a comprehensive human resource development and training plan for its personnel, well integrated with personnel management.

Barring Hyderabad, none of the training centres covers the complete range of subjects needed, especially for municipal staff, and there is little attempt to integrate training with personnel management, performance reviews, promotion and job enhancement, or to provide on-the-job training.

**Non-governmental Provision of Training**

The Schools of Planning and Architecture in different states, and the Departments in a number of Universities (with Delhi School being the most long standing and comprehensively structured) award graduate and post graduate degrees and diplomas in planning and architecture. They have started offering specific modules in housing, urban design, urban renewal, conservation etc., and are seeking to develop course modules to subserve the needs of the local and state authorities arising from the 74th Amendment. Their post graduate programmes cater mostly to in service planners. The requirements of planners and architects are addressed partly by the HSMI also. There has been limited involvement of the four national Institutes of Technology, the Indian Institutes of Management, and some Universities with occasional aspects of urban development and infrastructure. Some voluntary agencies and private research institutions also conduct customised training courses for urban institutions, depending on the interaction at the local level and the interest of the external donors. The NGO expertise is utilised by the Health, Education and Women & Child Development Ministries to run training courses for their field professionals and other staff in various programmes. The Association of Metropolitan Development Authorities has started running tailored courses for the personnel in these Authorities. The consultants appointed by the large municipal corporations or the functional agencies, especially under the externally aided projects, for accounting reforms or the installation of management information systems, usually provide training for installing the new system.
Training under Urban Basic Services for the Poor

Under the Central Scheme of Urban Basic Services for the Poor (UBSP) since 1990, grants are made available by UNICEF and the Programme for the establishment of state level and field level training Institutes specifically for organising training activities for the identified target groups in the programme, within the framework of the annual training plan and programme assistance plan. Under this centrally sponsored effort, one of the existing training institutions in each state (including a RCUES) was identified as a State Training Institute (STI) by NIUA and UNICEF in consultation with the state government, for imparting training to the project staff and the community leaders at the state level. This is supplemented by Field Training Institutes (FTI) drawn from the academic institutions or voluntary agencies. At the field level, there are training activities organised through community groups and trainers-at-call, training for convergent provision of services, and access to training provision under different government schemes. The NIUA is expected to supervise the entire effort on behalf of MUAIE.

In its assessment of training institutes under the UBSP, the RCUES, Hyderabad, makes the following points:

- The training institutions vary widely in the elements of infrastructure, experience and institutional capacity in undertaking community based participative training; some of the NGO’s have excellent commitment and experience for community development training.
- Conventional training institutions need competent staff, directional support, and capacity building for community development and participatory training methodology.
- The faculty and training curriculum of the STI’s and FTI’s need to be integrated with the main training institution and management (this is relevant also to urban wings of general purpose training institutions).
- Owing to limited scope for interaction with the trainees and their institutions, and inadequate field visits, the training needs assessment and training plans do not reflect actual needs, and the plans are structured in terms of the number of trainees to be trained, and the courses to be conducted.
- Monitoring arrangements for reviewing the organisational aspects of training and its quality are inadequate.
- the training is often repetitive and mostly informative, with limited focus on programme processes and field problems; the quality of training material is deficient, and too academic; the faculty has little relevant experience in UBSP except in a few cases; trainers' training is urgently needed;
- there is need for regular interaction between state and city level officials and the training faculty to make the programme benefit from two way feedback;
- The impact of training varies across the states, from being good in A.P. and Kerala, to being moderate in Karnataka, and limited in Maharashtra; in some neighbourhoods of Maharashtra cities, the community workers are not even aware of programme objectives, while the community organisers display high awareness in A.P. and Karnataka. The training for the political executives and women councillors is incomplete in all states; the training has not shown enough impact on municipal
officials and senior officers of the convergent departments; information dissemination to the communities and the participating agencies is not adequate.

Training under Central Government Schemes

In addition to the UBSP, there are other central schemes under which there is a training provision, apart from the directly sponsored training programmes with central grants, and training fellowships in India and abroad, which are arranged through the Central Ministries. The Nehru Rojgar Yojana (Urban Employment Scheme) envisages strengthening of the urban local bodies and the State level coordinating agencies for implementing various activities under the programme for the urban poor. Part of the training grants can be used for setting up a training cell in the municipalities covered under the programme, which can undertake training programmes directly, or through identified training institutions for the project beneficiaries in various skills.

The recently introduced Prime Minister's Integrated Urban Poverty Eradication Programme envisages integrated attention to the economic, social and physical condition of the poor, in the 345 towns having a population between 50,000 and 100,000. It adopts a four pronged strategy comprising: social development planning with special focus on the development of the most disadvantaged sections of the urban poor; employment creation for low income families through microenterprises and other measures; environmental improvement of slums; housing and shelter upgradation. (It is worth noting that directly or impliedly, these are the assigned functions for the municipal bodies in the 74th Amendment.) The training and infrastructural support under different components are proposed to be provided/coordinated through the urban local body of the identified town and the District Urban Development Agency (DUDA). The training of state, district, municipal and community level functionaries is an integral part of the Programme, especially in the context of the 74th Amendment, and will cover the elected representatives also. Training, seminars and workshops, and training of trainers are proposed to be undertaken, in conjunction with the UBSP training plan. A budget of Rs. 5 lakhs per town has been provided for such training.

Under the Central Scheme of IDSMT (under the revised guidelines) the central and state governments are expected to make continuous efforts for training and upgradation of the skills of the personnel dealing with the preparation of project reports and implementation of the IDSMT schemes. TCPO will be the nodal agency for training under the scheme, and funds are expected to be provided out of the research and training budget of the MUAE.

Possibly, similar support would be available in respect of the personnel involved in the implementation of the Mega city project as well.

As referred to earlier, the urban development projects assisted by the World Bank at the metropolitan level (such as Calcutta, Bombay and Madras), or at the state level for a number of cities, provided grants for technical assistance for training. However, unlike the water utilities, the urban and housing institutions, barring the government of West Bengal, did not avail themselves of this opportunity to develop systematic plan for training assessment and provision of the type described in the 1983 Report of the Task Force on Urban Management. The funds were largely used for consultancy studies and training fellowships in Indian and foreign institutions, for study tours etc., MMDA started a training cell for the training of the project
personnel, with some inputs from foreign consultants, but this effort died away after the project responsibility was transferred to another agency.

CAPACITY BUILDING FOR CENTRE AND STATE GOVERNMENTS

The Operating Environment

Since the operative environment for municipal reform and urban government capacity building has to be orchestrated mainly by the state governments, with a catalytic role for the Central Ministries concerned, it is imperative that the management capacities and orientation of the central and state departments, as well as the national agencies concerned with urban development and infrastructure is also upgraded. The need for coordinated Secretariat approach to urban development issues has been noted elsewhere.

In all the three states, the powers of routine administration of municipalities and release of funds are concentrated in the secretariat departments and the Directorate of Municipal Administration (DMA), and the tendency appears to be for the secretariat to order all transfers of senior urban personnel. The Maharashtra Municipal Corporations enjoy comparatively greater autonomy, in respect of expenditure and staff, but, in the other two states, the Rules vest considerable authority for staff and expenditure approvals in the Secretariat. The Secretaries in charge of the departments complain about the inadequate policy support and information base in the departments, compounded by the frequent transfer of staff. The Secretaries themselves do not enjoy long tenures. The institutional memory of the Directorate of Municipal Administration or Town Planning has not been built up because of their exclusion from policy making. The secretariat and DMA staff are not much exposed to training, except those above the Deputy Secretary level, who attend occasional training workshops in the national institutions or go on study tours abroad. The Town planning staff sometimes undergo postgraduate courses in the School of Planning and Architecture, and those involved in IDSMT attend training workshops in the Regional Centres or the local Institute of Public Administration (as in the case of Karnataka). The UBSP cell in the Secretariat operates independent of the rest of the Secretariat in most states, and is exposed to training under the programme. The overall picture is one of inadequate capacity in the secretariat departments for long term policy formulation and systematic coordination, buffeted as they are by the demands of routine administration, and pressures of legislative business, even as the government is reluctant to delegate power to the heads of departments or lower levels.

At the national level, the policy coordination and monitoring is vested in the Department of Urban Development under the Ministry of Urban Affairs and Employment, after the recent reorganisation of the erstwhile Ministry of Urban Development. The Planning Commission has been providing programme and policy support, and more importantly, the multisectoral focus. However, as pointed out by the NCU, the Urban Development and Housing Unit of the Commission itself is severely shortstaffed, and under various day to day pressures of Plan approval and interaction with different Ministries. The officials of the Ministry are well exposed to the management practices within and outside the country and have considerable skills for the job. They also have the opportunity to attend various short and medium term training courses in India and abroad. The TCPO has similar advantages, and has now the mandate for formulating the national urban training strategy in the course of monitoring the IDSMT, in the light of the
constitution of a working group for the purpose in the MUAE. The constraint of Ministry officials again is one of the pressures of routine business of Government and the lack of support staff for coordination and monitoring.

The separation of the Ministry into two independent Departments has led to parallel approaches to the urban local bodies for poverty alleviation, on the one hand, and for management and infrastructure provision on the other. The question appears to be one of devising internal organisational reform to provide greater time and resources for policy support to the state governments and the municipal agencies, and for pursuing the national urban strategy. This can partly be addressed by greater pooling of resources (such as those with HUDCO and HSMI, the TCPO, the NIUA, the training centres, the national research institutions) for appropriate support to the Government.

ADEQUACY OF TRAINING PROGRAMMES AND HRD IN THE CASE STUDY CITIES

Existing Situation

There is, in general, in the four cities (as indeed in much of urban India) no systematic effort to identify the training needs of the urban government personnel at different levels, and to address these needs through the provision of training, duly linked to a long term human resource development plan. There is no dedicated training institution for water supply and sewerage, or housing, in most states, barring some city level training institutes as in Madras, Hyderabad and Bombay, and the training centre for engineering aspects in Maharashtra.

In general, the training opportunities are few for even the senior and middle staff in Municipal Corporations, and most urban agencies lack a training and career development plan. The deputation to training courses is ad hoc, and is treated by the trainee officials as a break from the routine, and as a break from normal duties, rather than as an input for career advancement or higher capability. Maharashtra has experimented with in house training programmes at the state agencies for housing, water supply and sewerage, as well as a few Municipal Corporations. However, this is yet to become widespread.

Barring the pre-appointment requirement of passing a departmental examination, even the accounts staff of the state cadre in Karnataka does not get training relevant to municipal budgeting, cost estimation, project accounting etc., There is no division in the corporation concerned with training and staff development. The staff are essentially inducted into departmental practices; much of the work undertaken by the junior or middle level clerks and professionals (engineers, accountants, valuation officers etc.) is according to well-established formulae.

Meanwhile, there are no training divisions and training plans are yet to be formulated in the Municipal Corporations of Bangalore and Mangalore, the Bangalore Development Authority, the Mangalore Development Authority, the State Water Supply and Sewerage Board, the Bangalore Water Supply and Sewerage Board, and the Town Planning Directorate etc., The Water supply utilities benefit from technical training facilities offered by the CPHEEO and a number of engineers had participated in the long term and short term courses. There is however, no dedicated training institution for the water supply and sewerage or housing sector in the state.
Some of the Corporation officials had attended the training courses in the ATI and the national level institutions, but there appears to be no followup with organisational development.

In Visakhapatnam, even if a corporation employee gets elevated to the supervisory post in accounts or assessment, there is no further requirement of successful completion of training to equip him for the post. In A.P., recruitment rules, there is some requirement of passing departmental examinations, but its utility is not known.

The heads of departments in A.P. (whether from the corporation service or from state cadres) do not get any training in respect of tasks other than technical, such as solid waste management, conservancy engineering, vehicle and equipment maintenance, costing and accounting, participative processes of management, innovative town planning etc., or about the organisational structures and functions of the agencies with whom they have to deal daily. Even the technical training, of the type provided for municipal employees by the MWSSB in Maharashtra, is confined to technical areas, and is availed of only on occasional basis by the corporations. A similar facility is not available for the water sector in the other two states. This is apart from new skills in social and technical disciplines for which even the supervisors are not equipped. The UCD staff had benefited considerably from training programmes, study tours and interproject exchanges arranged under the ODA slum improvement project. However, this had not been taken up by the management for extension to the rest of the Corporation hierarchy.

The A.P. state Municipal and PHE Department had no dedicated training institution, but relied on the central training facilities. The Corporation staff also participated in the courses arranged by the RCUES, but this was not built into organisational development, promotion etc.

In Aurangabad, training opportunities are few for the municipal Corporation staff, and for the personnel in the Development Authority of the New Town, except for the participation in the courses of MWSSB by the technical staff in the water supply and sewage sector. Some of them had attended the courses of the AIILSG, and some of the CIDCO staff had taken part in the HSMI courses. There was no in house training programme.

**Training of Sectoral Agencies and Policymakers**

Conventional assessment of training needs usually fails to address the training needs of the state agencies in charge of municipal administration, or the town planning department, or the officials of the sectoral departments. To the extent these officials are from the state administrative cadre, their training is deemed to be taken care of by state level training institutes through ad hoc programmes for general skills, or by deputation to training institutions outside. Some of them benefit from study tours and training workshops conducted abroad, but do not have the benefit of training in the new skills of urban management. The capacity of the senior state level officials for policy analysis is hampered also by the absence of reliable data base on the municipal and urban infrastructure sector. Equally critical is the failure to designate an agency for providing continuous inputs for monitoring sector performance, and formulating policy alternatives susceptible of scientific evaluation.

Apart from the deputation of the officers of the Town Planning Department to the School of Planning and Architecture for Post-graduate Programmes or specialised courses, and occasional attendance in national training courses, the town planners in A.P. and Karnataka are not exposed to any updating of skills, or the innovative approaches in other states like Maharashtra. This is
evident from the failure to undertake any serious effort to revise the town planning laws in the state on the line of the Model law circulated by the Central government, or to amend the building by laws in line with the national building code, or to modify the planning standards in line with the enabling strategy under the National Housing Policy. The town planning department is also not equipped with skills of modern valuation so as to assist the municipal councils in scientific assessment of land and property, and bring them in line with the valuation under other state laws and central fiscal laws. On the other hand, the town planning department in Maharashtra has taken more systematic steps for in house training, and to build up the valuation skills of its staff. It has in fact assisted the municipal councils in raising their revenues dramatically by better valuation.

A number of sectoral agencies operate dedicated programmes for personnel, and extend the facilities to personnel of other agencies in the urban and housing sector. It is thus possible for municipal corporations in Maharashtra to take advantage of the courses run by the Professional Development Centre of MHADA. This Centre is operational from September 1994, although the in house training and HRD efforts of the Housing Authority started nine years ago. It is getting the benefit of a fulltime ODA consultant and periodic visits of ODA experts, besides the collaboration with HSMI. The courses are designed to achieve a multidisciplinary approach to housing, and to familiarise all participants with the entire process, and organisational milieu of different facets of construction and human settlements. All training is delivered through a project learning process, and with the participation of multidisciplinary teams. The project modules of project preparation, people and housing, slum improvement, client groups, financial appraisal, site and infrastructure planning etc., are relevant for other urban agencies as well. In fact, the Centre is already attracting participants from various municipal agencies.

The MMWSSB has set up Research and Training Centre in Nashik and has been organising training activities for the Board’s staff and the municipal engineering personnel since 1985-86. The centre has been recognised by the CPHEEO for running courses at the national level. The course outline takes into account the training needs of the personnel of the Board/Zilla Parishad/Municipal bodies. The Board incurred an expenditure of about Rs.1.2 million during 1991-92, which is highly insignificant compared to the total budget of Rs.2215 million. 33 courses run for the state government and local staff in 1991-92, and five courses for outside staff at the instance of CPHEEO. 727 trainees (including 43 from other states) attended the courses in 1991-92, giving trainee days of 4728. The courses covered various aspects of construction, operation and maintenance of water supply and sewerage systems, contract management, personnel management, labour management, financial management, vigilance, computer aided design, quality control, MIS etc., The Board officials conceded that financial managerial aspects received much less attention than technical aspects.

Bottlenecks to Training Provision

As the implications of the 74th Amendment are now only sinking in the psyche of the policy makers and the urban personnel alike, the implications of the new functions entrusted to the municipalities including poverty alleviation, environmental protection, economic and social planning etc., are yet to be translated into training and skill needs. The other area yet to be elaborated, leave alone interpreted in organisational terms, is the role and functions of the DPC and MPC, and the recast role of urban and rural development agencies; the requirement for amending all the laws affecting the 12th Schedule etc., Privatisation is still only a fashionable
word, and the authorities are only coming to grips with the implications of contracting out services and various forms of privatisation, in the light of evaluations done by NIUA, CIDCO, HSMI etc. This will involve legal amendments, drawing up tender documents and specifications, costing services and other issues raised in Chapter 2. The training modules for this purpose are being formulated by NIUA in the context of FIRE, but a more generalised as well as state specific modules are needed to guide the states.

The bottlenecks in the training provision in the Municipal corporations include:

Lack of awareness about the positive impact of training on the performance of the municipal government; lack of adequate finance for training programmes; scarcity of the staff in some departments does not encourage the heads of departments to spare the staff for training, or spare time for inhouse training; frequent and unforeseen transfer/rotation of officials.

It is not possible to discern specific budget provision for training in the three corporations, and the occasional expenditure for training of the employees in different institutions is debited to the establishment expenditure of respective departments.

New Initiatives

Reference has been made to the Karnataka initiative for decentralised training, in collaboration with HSMI. However, this approach was not extended to the municipal corporations in the state. The state government undertook an exercise recently, with technical inputs from the HSMI, for the identification of training needs of all the organisations in the urban sector. It is also proposed to set up an Institute for Urban Development, attached to the ATI. It is also expected to get assistance from the ADB for consultancy assistance for capacity building in selected cities.

A major initiative of HSMI-HUDCO was to support decentralised training of municipal personnel in Karnataka state, noted above, in the form of HSMI sponsored faculty, organisation of training programmes for action planning and IDSMT, preparation of city environment profiles etc., This effort has been extended to other states like Rajasthan (through the state Institute of Public Administration in Jaipur), and Uttar Pradesh (the state Academy of Administration in Nainital). This form of decentralised training not only effectively complements the centralised training of municipal officials in Delhi and other places, but helps to focus training intensively on local needs and city action plans. As HSMI ventures increasingly into training for the municipal sector (as contrasted with the earlier preoccupation with housing agencies and development authorities), it is redefining its role in the training institution universe vis a vis the institutions like the regional centres, which are already in the field, as well as the state training institutions dedicated to general administration or urban personnel.

The Larger Institutional Context

In looking at the adequacy of training programmes, it is important to realise the frustration of the personnel with existing organisational deficiencies and opportunities for advancement on the one hand, and the need for simplification and reform of various inhibiting rules, procedures, manuals, legal documents like tenders etc., Building up accountability and participation, as elaborated in an earlier Chapter, will call for information flows and people friendly procedures
and regulations to be installed, along with the orientation of officials, lest their credibility is undermined on the ground. The track record of the agencies in the four cities is not very satisfactory in this respect, although it is possible to build on the CIVIC/Swabhiman in Bangalore, CIVIC in Mangalore, and the fledgling citizen group in Visakhapatnam. Aurangabad has not even started addressing the issue. One should start with the production of information booklets and decentralised transparent procedures, and look at recent experiences of Baroda, Alleppey and other cities as noted earlier. The experience with the successful UBSP projects in a number of states is valuable in this regard.

This narrative makes it clear that training and human resource development need to be tackled in the urban institutions in the case study cities and states as part of the wider issue of reforms necessitated by decentralisation and economic reform, and not merely as a question of supply side management. This is the thrust of the analysis in the following Chapters.
Chapter-IV

A STRATEGY FOR URBAN GOVERNMENT REFORM AND CAPACITY BUILDING

This Chapter seeks to draw together the status of institutional and legal framework in urban government, as well as the conclusions of the previous Chapter, and elaborate proposals for the strengthening of urban government capacity in India.

Background

As stated by the National commission on Urbanisation in its 1988 Report,, the larger cities are showing signs of overdevelopment. Housing, water supply and drainage, city transport, local employment, and the availability of land on which to locate city activity, have all suffered grievously because the city management systems have not been able to react adequately to the problem of growth. Not only are there severe inadequacies in potable water supply, sewerage, sanitation, storm water drainage, waste management, road maintenance and social services. The aggregate statistics conceal the greater deprivation of the urban poor and the vulnerable groups, and the wide variation in service outreach, coverage and qualitative factors among different income groups within the city and in peripheral areas. The proportion below the official poverty line varies from 20% to 39% depending on the expert source one relies on. However, there is agreement on the large numbers of urban poor, including single women and street children, dominated by inadequate incomes and informal employment, and living in degraded environment and informal settlements.

The capacity of urban government institutions is a critical factor in tackling the burgeoning urban problems effectively and equitably, especially in pessimistic scenarios of diminishing prospects of governmental support for service augmentation. The different negative attributes of municipal government, and the unresponsive administration, have not only contributed to the present low image of municipal bodies. They are in danger of being marginalised to the point of the citizen dealing directly with the government by bypassing the local bodies. In various meetings of state and city officials, political representatives, voluntary agencies, citizen groups and experts, in the context of the Habitat II deliberations in India, it has been strongly emphasised that the improved organisational and financial capability of urban local bodies and functional agencies, restoration of their democratic character, their attitudinal changes, and expanded horizons, are vital to the efficient and equitable functioning of city areas and national economy.

Apart from the macro issue of low priority to urban development in the country's planning process, the problem appears to be rooted in basic infirmities in the organisational and functional structure for the governance of cities, inappropriate planning and management interventions, stifling and haphazardly directed state control, obsolete laws and regulations, inadequacies of staffing structure and skills, resource gaps and fiscal indiscipline, and failure to involve the citizens and other members of civic society in governance. Starting from the NCU report in 1988, the endorsement of the enabling strategy in the National Housing Policy, and the recent significant efforts for decentralised democratic local self government, the Central and state
governments are aware of the contours of the needed reforms. These are reflected in various project guidelines and policy pronouncements, including the statements in the recently held meeting in Delhi of all the municipal bodies. However, the chasm between recognition of the problem and the formulation of long and short-term solutions by the government and various stakeholders, persists.

**Context of Urban Governance**

The importance of urban governance has to be seen in the context of a number of imperatives as well as the series of policy initiatives taken by the Government of India and the state governments (as also the innovative experiments in a number of cities) in recent years. The debate is not restricted to municipalities per se, or to increased provision of services in aggregate terms; it is rather concerned with the capacity of cities and the civic societal institutions to be able to deal with the changes that are occurring both within the city region, and, externally, in the national and global economy, and the pressures resulting therefrom. The efficiency with which land, housing, infrastructure and services can be delivered, the accountability and responsiveness of urban institutions, and governmental steps to help them perform the enabling role, will all be critical in meeting the challenge of economic liberalisation and globalisation, poverty and rapid urbanisation.

As described in an earlier Chapter, governance is a broader concept which involves the entire process of governing the urban areas, and cannot just subsume the intergovernmental relations, or the cluster of urban governmental institutions; which is what, perhaps the government meant by the term "power to the people". It refers to the relationship of government at different levels with various stakeholders in civic society, as is vividly brought home by various citizen movements and public interest petitions before the Courts. It refers too to the transparency and responsiveness of the system.

The state governments must take a major share of the responsibility for this situation. They have not yet been moved by the sheer logic of the 74th Amendment to cede effective powers and resources to the local self-government bodies in urban areas, or to reform cumbersome urban laws and regulations, or to assist in the capacity building of local bodies.

In designing an institutional framework that can meet the increasing needs of land, shelter, infrastructure and services, the National Housing policy appropriately delinesates the role of the government, the private sector, cooperatives and the community. It advocates the role of government as an enabler, provider (for the most needy and disadvantaged) and the regulator (to safeguard consumer interest and curb exploitative practices). The state or local government need not itself directly engage in the actual provision of services; it should rather create conditions for a substantial involvement of the private sector, cooperatives and the community to deliver these services. This again calls for shifting the institutional gears and mindsets of urban bureaucracy and public works culture. Partnerships at various levels with all the stakeholders lie at the heart of responsive governance.
The Approach

In terms of the possibilities and priorities for improving the institutional framework for urban planning and management in India, certain features distinguish the better run cities:

a) responsibility, within a rationally assigned jurisdiction, for a hard core of essential functions (on the subsidiarity or local benefit criterion), such as water supply and sanitation, roads and traffic management, land use and develop control, preventive health, urban amenities and community facilities;

b) responsibility for both capital construction (even if it were to be done on agency basis through functional agencies), and operation and maintenance of infrastructure and services;

c) a clear focus of executive authority, instead of the present fragmentation;

d) effective systems of inter-agency coordination for planning and service provision, structured on city-level nodal agencies, and incorporation of the new Constitutional mechanisms;

e) mechanisms for accountability to the electorate and citizen groups;

f) access to locally determined and buoyant taxes and user charges, and objectively assigned revenue shares and grants to help discharge the core functions and agency tasks; and

g) a proactive inter-government relationship, similar to what is advocated in the Federal context.

h) responsible and effective local political leadership, buoyed by access to real decision-making power;

These long term institutional changes go with organisational improvements such as:

i) Pursuit of alternate forms of service provision, involving either privatisation, or cooperatives and community groups, or voluntary agencies; and enabling regulations for this purpose;

ii) improved budgeting and financial planning/control, based on realistic revenue estimation, exploitation of available resources and the full collection potential, and improved creditworthiness of the agency for sustainable external financing;

iii) regular annual revisions of user charges and taxes, differentiated and responsive cost recovery, and use of demand projections, unit costs and standards to provide for recurrent costs of expanding services; and greater autonomy for fixation of tax rates and service tariffs within the frame of binding guidelines for fiscal discipline;

iv) decentralisation of service provision and budget management to operational or ward levels, combined with effective use of Wards Committee and the neighbourhood
associations for triangular consultation between elected councillors, staff of municipality and urban agencies, and the citizen groups;

v) improved staff structure and conditions of service, which provide for career advancement and motivation at all levels of municipal and urban institutional service; and opportunities for training and human resource development;

vi) improved and more client-sensitive rules and procedures in daily transactions with the public; and encouragement to participative forms in poverty alleviation and urban service provision by building on the available role models.

It is important too to remedy the abysmal state of urban information base and develop macro and micro indicators on various parameters and sociopolitical variables that ought to guide rational policy, by carrying forward the excellent work which has already been done in a number of cities, to facilitate the preparation of the National Report for Habitat II. It is necessary also to undertake systematic research on various issues of governance, distinctive problems of cities of different sizes, impact of macroeconomic policy shifts on cities, rationale of existing regulations, municipal services and finances, willingness to pay, etc., about which little is known. At the other end of the spectrum is the poor flow of information to the public, especially the poor, on regulations and procedures, on schemes and levies of public agencies, the content of physical plans, their rationale etc., on the basis of which alone effective citizen feedback is possible.

Functions

The functional ambiguity surrounding the assignment of functions to the municipal bodies, and the arbitrary unbundling and assignment of the municipal functions to state agencies and development authorities, have to be addressed immediately. It is necessary to take advantage of the opportunity afforded by the Constitutional provisions to lay down an exclusive municipal list as a third tier of government, leaving it to the state governments to legislate the state functions to be implemented by municipal bodies on concurrent basis, and leaving it to state departments to identify the tasks to be entrusted on agency basis. Pending this, the state governments should clarify the functions to be performed by municipalities of different sizes and capacities, abandon the unsatisfactory distinction of obligatory and discretionary functions, and do away with the overlapping discharge of the same functions by state departments/parastatals and the municipal bodies. This would take care of the existing compartmentalisation of capital and maintenance investment and functions (or Plan and Non-Plan), which has led to the emergence of special purpose agencies and problems of maintenance of new colonies.

The state governments have not so far applied themselves to this important issue. In the absence of functional clarity, it is difficult to work out the vertical gap and the appropriate devolution of taxes and charges, shared taxes, and grants to the municipalities, that would take care of the existing expenditure requirements and the future devolved functions. Clarity of functions and territorial jurisdiction is also important to ensure downward accountability to the electors, and upward accountability to the government; and to eliminate the encroachment on the municipal domain by state and city agencies.

The functions of the municipalities can be defined in terms of essential or core functions, agency functions and joint functions, allowing for different classes of Municipalities. The
revenue assignment and devolution can then be related to the attainment of minimum standards of equitable delivery of public services to the entire population. The essential and joint functions would be covered by the State Finance Commissions, while the agency functions entrusted by state departments would be on mutually agreed terms. As recommended by the 1983 Task Force, the performance of the essential functions within city limits by the parastatals would then be seen as being performed on behalf of the municipal bodies, with clear guidelines for the transfer of completed works. Their operation at regional levels for infrastructure or planning would be governed by consultation with the constituent local bodies and the framework of district or metropolitan plans. This principle ought to be reflected in the legislations of special purpose agencies. Responsibility for environmental management under the Constitutional mandate will have to be joint, along with other state agencies constituted under the Environment Protection Act or other laws for environmental protection and quality, with assured resources and integrative focus on related infrastructure provision.

Urban Planning and Regulations

In the field of Urban Planning, the 74th Amendment has broken new ground by the mandatory provision for District and Metropolitan Planning Committees, and the enlarged content of the plans to be prepared by the committees, in line with the mandate of the local bodies for economic planning and social justice. The conforming amendments have not dealt with the mechanisms for setting up these committees, their relation with existing development authorities, the consequential amendments to town planning and other laws as well as the master Plans, the capacity building of the town planning staff etc., For the first time, plans at the local level would be finalised by a majority of elected representatives, and this would call for their orientation and education. The urban and local bodies would require considerable help to prepare the plans, even as the capability of the town planning itself is limited to physical planning. As in the case of functional distribution, the occasion can be used to reform laws related to town planning and development authorities to facilitate participative and flexible plan formulation and implementation, and the full involvement of the urban local bodies and urban infrastructure agencies in the planning process.

The planning standards and the building regulations themselves need to be modified substantially, and the procedures simplified, in order to instal client-friendly and transparent plan approval processes, minimise corruption, and speedier expansion of legal shelter and serviced sites. The present multiplicity of planning laws and planning/development authorities, with potential for jurisdictional conflicts and public confusion, as in Bangalore, need to be resolved quickly. Planning instruments like strategy plan and action plan, on the lines experimented in training courses in Karnataka, have to become widespread; and the offer of cooperation from citizen groups, as in Bangalore and Pune and Bombay, for micro planning, or drawing up a city vision or for heritage areas, need to be welcomed, so as to make development plans more acceptable and less of an exotica capable of arbitrary alteration. The approval process for land development, construction and access to various services, as well as essential legal permissions, needs to the simplified, and made client-friendly and speedy, if the cities are not to be engulfed by more and more unauthorised constructions and development.
Partnerships and Privatisation

In the course of resolving the functional issue, there needs to be an agreement on the scope for separating the responsibility for service provision (vested by law with an agency), and for actual execution (by another agency through contract or delegation). This aspect has been recognised in the innovative amendments to the municipal law in Maharashtra. Similar enabling provisions for entrusting municipal functions to the private sector or the community exist in other laws governing municipalities and functional agencies, except for solid waste management, and only need reiteration and acting upon.

The review of efforts for privatisation has shown various examples of privatisation in different municipal corporations and special agencies. The search is for ways to avoid the perceived negative aspects of privatisation and to devise alternative ways of effective service provision. The question is not one of either/or, but one of partnerships and the capacity of public agencies to administer services through such partnerships. The objective is to improve service coverage and quality, improving service efficiency and beneficiary responsiveness and mobilising additional funds for urban infrastructure.

The forms of feasible privatisation include:

- divestiture (of the type planned by the Tamil Nadu government for the formation of a new urban finance institution);
- BOT arrangements such as the bypass road in M.P. or the bridge in Delhi sponsored by Infrastructure Leasing and Financial Services;
- joint venture companies for mass rapid transit (such as in Bangalore and Hyderabad), or for urban infrastructure at the city level (such as the Tirupur project in Tamil Nadu);
- public-private partnerships (such as the land development projects of Lucknow, Delhi and New Bombay);
- land-based planning instruments for cost recovery or for the development of land and community facilities (such as the town planning schemes, and innovative development control rules in Maharashtra, or the coloniser schemes of Haryana, or the system of development charges in a number of states for formal approval or for regularisation);
- management contracting for services like streetlighting, solid waste collection and sweeping etc., for road maintenance and construction, maintenance of parks and community facilities, technical design and execution, citywide operation of nutrition and health programmes,
- franchising of advertisement rights in lieu of maintenance of roads and traffic islands;
- alternative service mechanisms such as the private transport services in Delhi and Calcutta, maintenance of sanitation complexes by SULABH, garbage collection by EXNORA groups in Madras and similar action by community groups elsewhere,
- the management of neighbourhood projects for health, nutrition, garbage collection, savings schemes, shelter projects etc., by the Baroda Citizens Council, water supply through tankers in a number of cities, community contracts in slum upgradation etc.
It is possible to unbundle various services in water supply, sewerage, sanitation and solid waste management, as well as in revenue collection, and contract out the operations liable for easy management. Examples are meter reading and billing for water supply, maintenance of reservoirs and pumping, garbage collection and transport, resource recovery from garbage, sewage pumping, maintenance of distribution lines for water and maintenance of standposts within slums, drain cleaning and desilting, vehicle maintenance, parking lots, octroi collection, security operations, management of community halls and sport complexes etc., These become, what in classical theory is called, contestable operations with no sunken costs for the competing parties.

The various forms of alternative service provision involve an agreement on the division of the functions of provider and producer at the level of the legally mandated service agency, and enabling legal provisions, as in Maharashtra, to permit the entrustment of functions to the private/cooperative agencies and community organisations. It would of course be ideal to enact a separate law for BOT operations as in the case of Philippines, authorising the financing, construction, operation and maintenance of infrastructure projects by the private sector. An examination of the legal provisions in different states shows that it is possible even now to entrust water supply and sewerage services to the private agencies, while solid waste management can be contracted out only by an enabling amendment. Kerala has devised regulations for the constitution of community development societies to which community level services can be contracted out.

Organisations like BDA and DDA will have to amend their laws to enable them to enter into partnership development of land. Of course, the Urban Land Ceiling Act will itself have to be amended to permit legal forms of land development partnerships in concerned urban agglomerations, that would permit the transfer of developed sites to purchasing parties. The State Highways Act will have to be amended on the lines of the central Act to permit the undertaking of toll based BOT projects. The laws governing labour contracts will have to be suitably modified, in the light of the Supreme court order on the contracting out of essential municipal functions.

Requirements of Privatisation

A series of actions by central and state governments is imperative to promote various forms of privatisation such as:

- formulation of a policy statement at the government level in respect of privatisation, with clear and long term political commitment, in order to send clear signals to the city level political leadership and bureaucracy;
- relevant legislative amendments;
- introduction of affordable and appropriate planning standards and building regulations, and suitable amendments to the Master Plans;
- reduction in the cumbersome procedures relating to various permissions required for land development and urban facilities;
- develop financial instruments like the Municipal Bonds under the FIRE project to support joint ventures or commercial infrastructure projects;
- budget support for targeted subsidies to lower income groups; provide fiscal concessions for private investment in urban environmental infrastructure;
• supporting citizen and consumer forums to provide feedback on service provision and protect consumer interests;
• encouragement to public sector agencies to compete in BOT and contracting arrangements on commercial terms;
• regulation of prices and quality of services by the contractor, apart from the provisions under the Consumer Protection Act.

The support from governments is essential for building up the capacity of local government and urban agencies for the entrepreneurial role, contracting and BOT arrangements in various ways, including the organisation of training courses and in house support for staff skills. It would cover also the sanction of necessary supporting accounting and engineering staff, who are equipped to design and evaluate tenders, and monitor contractor performance. It involves research, networking and training to support cost estimation, fixing tender prices, service charges, and introduce flexibility in contract documentation and management. The NIUA is involved in this task at the national level, but there is enough room for other training and research agencies to assist the state and local agencies.

Apart from the enabling legal provisions, it is necessary for the state governments and the city agencies to look closely at following issues in the context of alternative forms of service delivery:

1. Documentation and dissemination of existing experience of alternative service provision and implications of privatisation, and clear misunderstandings; up to date information base on costs of different services provided by public, private and community sectors at city level and in different cities;

2. Building up support of the labour unions, through transparent management, and through a positive dialogue about fears of retrenchment and alternate deployment of staff; starting the experiment in unserviced areas; skill training for workers in alternate jobs; offer of contracts to labour societies of retired labour or their families; and devising cash incentives against savings from alternative methods of service provision.

3. Management of the bidding and tendering process, involving: design of the contract document with clear specifications, service levels, quality and level of coverage, clear mention of capital and operating costs, hiring of equipment and facilities; escalation clause, mode and level of payments, methods of measurement of output, contract monitoring, takeover in case of default, labour welfare and contractual payments etc., decisions on tender prices and service levels on the basis of periodic in house analysis and market surveys and information from other cities; explicit, transparent and accountable bidding and tendering process in order to avoid the scope for fraud and collusion; tradeoffs between large number of small contracts, and a few large contracts for a cluster of wards, in terms of encouragement to competition versus scale economies and tender processing costs; effective monitoring system during construction and operation period, backed up by arrangements for citizen feedback.

4. Encouragement to perfect competition of private contractors for different services and operations, as well as the involvement of community organisations and voluntary agencies for local level facilities; building up capacity of private sector through dialogue with chambers of commerce etc., and assisting in their participation in
tailored courses similar to the petty contractor programme for construction management, organised by HUDCO;

5. The scope for involving the private sector and community groups in the construction and management of services should be built into the design of the infrastructure network for large area development projects like the Dwaraka in Delhi, in order to generate decentralised options for water supply or sewerage, or to enable the cluster level services to be entrusted to resident cooperatives, or to enable the construction and operation of social facilities to be undertaken by voluntary or non-profit groups.

The organisation of slum dwellers in the Bombay slum upgradation scheme, or in some of the slum redevelopment projects, or in the slum sanitation project worked out for the recent Bombay sewerage project, ensures maintenance of services at the stage of design. In the case of the ODA assisted slum improvement projects, the agreement with neighbourhood committees ensures responsive maintenance of community facilities and contribution for various programmes after the end of the project.

The long list of requirements for privatisation need not imply that one has to await capacity building of the public agencies before they launch into any form of partnership arrangement or contracting of services. As seen from the example of the few agencies which have demonstrated success, it is possible to start with a structured learning, or 'learning by doing' process. The perceived benefits from a well managed process of privatisation are enough to overcome any mental reservations or fears of small additional costs of contract supervision.

**Inter Municipal Cooperation**

An area of alternative service provision, not much explored in India, is the scope for inter municipal cooperation in a region for the execution of projects, or maintenance of services, or the sharing of expertise. This practice is quite common in France and U.S.A., where the syndicates of communes execute a large variety of urban services, often with the help of private companies on BOT or franchise basis, through the pooling of resources and common agreement on tariffs, sharing of water resources, exploitation of development rights etc. The U.S. Municipalities also use the services of neighbouring municipalities for the performance of various civic functions on a contract basis. The Turkish union of municipalities undertake water supply and electricity schemes. The British associations of municipalities disseminate information, publish service levels and costs, and provide supportive services. In the Indian context, the individual municipalities tend to relate directly to the government and the sectoral agencies rather than on a collective basis, and thus, their efficiency is rated on one-to-one basis, rather than on the basis of the scope for shared expertise.

It is thus possible for large city corporations like Bombay and Pune to undertake projects jointly with the neighbouring municipalities, provide design and other services to the smaller units, make staff available for limited periods to instal improvements, undertake attachment training etc., this can be facilitated through state and All India councils of municipalities and Corporations, especially in the context of the education and training needs of the 74th Amendment. The Inter state Council of Local Government can also set up a permanent secretariat to facilitate these endeavours.
Internal Organisation

Following the 74th Amendment, none of the states, with the exception of Kerala, have enacted amendments to ensure a clear focus of executive authority in the Corporations. In fact, during a recent conference of Municipal bodies convened by the Central Government, the elected Mayors are reported to have complained that there has been no true empowerment of elected local bodies in the sense that executive powers were really exercised by an appointed executive.

The adverse consequences of the present fragmentation of executive authority among different Municipal Authorities has been referred to earlier. It is necessary to enact amendments urgently a) either to install a Calcutta type Mayor-in-council, with the Commissioner being only the chief executive officer under the political executive, b) or equate the Commissioner to the American type City Manager, answerable to the corporation for policies and budget approvals, but exercising full autonomy in executive powers and staff control. The emergence of dynamic and informed local political leadership, and the induction of committed citizens in municipal bodies (as at the time of pre-Independence Municipal Corporations), is possible, of course, only with the Calcutta type Mayor-in-Council, and mature political understanding of the real value of the political executive in local bodies. Only then will the incubatory potential of, and the meaningful involvement of women and the weaker sections in, the local self government be realised.

Diluting State Control

While facilitating the above exercise, the role of the state government is vital, in giving up the present forms of stifling and unproductive control in favour of more flexible and normative rules of intergovernmental relations, structured on autonomous systems of staff appointment and local staff control, predictable and assured systems of revenue sharing and assignment, fiscal autonomy, greater role and authority for local political leadership in municipal affairs, installation of state training plans and supporting facilities for skill upgrading, access of urban government institutions to finance for investment and operations, enforcement of viable cost recovery and revenue mobilisation etc.,

With a more clear focus of executive authority, and greater control over the structuring and control over departments, the Commissioners, with reasonable tenures and backed by responsible local leadership, can hopefully address the various constraints to efficient performance more effectively. The state governments should also objectively evaluate their own capacity for orchestrating the complex agenda of urban management and finances, and take steps to build up the capacities of the relevant departments and support agencies, while developing a comprehensive urban information base and performance indicators.
Deregulating Municipal Staffing

In case the state government wished to ensure the absence of politicisation and favouritism in the appointment and promotion of posts at various levels in Municipal Corporations, they can follow the Calcutta example of setting up an independent Municipal Service Commission. Instead of bothering to impose bans on the creation of posts, or retain powers for the approval of posts carrying more than specified payscale, the Government could fix ceiling on establishment costs. It could leverage its control through objective criteria for staff norms and costs, prescribed on the recommendation of the State Finance Commission. It would liberate the energies of the secretariat departments for productive policy formulation and project monitoring.

The Government can prescribe common recruitment rules and qualifications for posts, percentage of direct recruitment and promotion, reservations etc., on the pattern of the central government, and the Commission can forward the list of candidates for appointment by the Commissioner. The requirement of specialised posts such as a financial analyst can be met with the Commission’s concurrence. The class II and I posts can be made transferable within the Corporations, as represented by many.

The presence of deputationist officers can be phased out over a period, as done in Maharashtra, where the service in corporations like Pune commands considerable status. The powers of performance appraisal and disciplinary proceedings should of course vest finally with the Commissioner, in the interest of his effective executive authority; the elected body could be given the power to recommend action to the Commissioner against any employee for dereliction of duty; dismissal and major punishment could be made subject to the concurrence of the Commission, and other punishments appealable to it, to protect the employees against a whimsical Commissioner or state official.

Addressing Fragmentation and Coordination

The state governments should avail themselves of the opportunity provided by different Centrally sponsored Schemes, such as the IDSMT and the Mega cities Programme, for infrastructure provision and social facilities, in order to institute coordination mechanisms, investment prioritisation at the city level, and interagency cooperation. The leverage of the Central Scheme guidelines is available for obliging the assisted city agencies to prepare plans for revenue mobilisation and institutional development, on the model of the Indonesian IUIDP. The Constitutional requirement of District and metropolitan level Planning Committees, with the majority participation of elected representatives, can lend democratic meaning and pressure for inter agency cooperation in spatial and resource planning, as well as prioritisation of needs. The central government Ministries should cooperate in citylevel endeavours through clear directions to their agencies in respect of information sharing, compliance with planning guidelines, infrastructure coordination, contribution to city revenues etc.,

The relevant laws, such as those relating to BDA and BMRDA in Bangalore and the Urban Development Authorities in different states, need to introduce clarity in responsibility for coordination and planning permissions within and outside the municipal limits. The tendency to designate different agencies for the operation of different aided programmes need to be resisted, as it only adds to confusion about the mandate. The designated agencies like BDA, BMRDA, VUDA have to be provided legal teeth to coordination of investment planning, coping with
urban imperatives of economic development, environmental management, advocacy of large city needs to higher levels etc.,

At the state level, the state urban infrastructure finance institutions like KUIDFC, APUIFC, and the Directorates of Town Planning and Municipal Administration, should work together in the prioritisation of citywide investment needs, linkage of the plans to the approved urban investment strategy, updating of master plans, flexible and innovative planning and financial instruments, capacities of urban agencies, fiscal discipline and cost recovery, resource mobilisation etc. On the poverty alleviation front, the guidelines of USBP and poverty alleviation schemes provide the basis for coordination at district and city level, and these have to be harmonised with the statutory provisions for Wards Committees, District Planning and Metropolitan Planning Committees.

Coordination applies as well to the different departments dealing with urban development, housing, water supply and sewerage, industrial development and environment, and central government agencies, as well as the non-traditional departments of Revenue, Rural development and Personnel. The consequences of divided secretarial responsibility for municipal administration, urban infrastructure and planning, and housing, in states like Tamil Nadu, have been apparent in terms, inter alia, of parallel and confusing signals to the sectoral agencies and municipalities, and individual departments and agencies staking out for a share of the budget pork barrel. In the course of formulation of urban development strategy, the state governments need to identify nodal departments for its implementation, agree on the roles of different departments and agencies for pursuing the action plan of legal changes and investments, institute coordination mechanisms avoid conflicting postures on the ground, and converge activities and investments.

The larger issue is of course one of low priority to urban development and the financing of urban infrastructure, as pointed out by the National Commission on Urbanisation (NCU) (Government of India, 1988) and a succession of expert committees.

Reform of Parastatal Agencies

Autonomy for the parastatals is equally important, especially in staff appointment, tariff fixation, resource mobilisation etc., and the present practice of remote control from the secretariat has to yield place to transparent norms of financial and organisational performance. As in the case of the municipalities, the government departments exercise vast control without necessarily adding competencies to the secretarial staff. Tenders above specified amounts come to the state government for approval, and some states control staff matters as well. The governments operate special quotas for plot allotment and prescribe formulae for price fixation. The nominations to the Boards of the special agencies are not always based on professional competence. There is little check on their establishment expenditure, and their budgets are characterised by the same infirmities as the municipal bodies.

The special purpose agencies have been tempted to be financially irresponsible by surrendering the decision for tariffs and plot prices to the state government, and benefitting from regular bale-out subsidies for loan repayment or operational expenditure. Utilities like the Tamil Nadu Water Supply and Sewerage Board have been allowed to function as monopoly public works organisations, with no responsibility for cost escalation or the ultimate loan liability of the
municipalities, or the fixation of viable local tariffs for cost recovery. The statewide fixation of tariffs in the case of both Karnataka and Maharashtra prevents city level subsidies from emerging, or enabling commercialisation of infrastructure.

The agencies like KWSSB and MWSSB, as also the state electricity Boards, have suffered from their inability to enforce payment of huge arrears by municipalities by cutting off water or electric supply, thanks to the political support to the defaulting municipalities from a state government, which is apprehensive of popular fallout of disruptions in water supply. It only leads to indirect subsidisation of water supply and other services through budgetary support for losses of these agencies, while indulging the municipalities in the persistence of non-viable tariffs and low recovery. Barring the Maharashtra special agencies, those in the other two states (as indeed in a number of other states) the senior staff, including the chief executive, is composed of deputationists from different departments, and this prevents the emergence of a culture of corporate management and coordinated working with local agencies.

The state governments should rethink the roles of the special purpose agencies, in the context of the functional allocation to municipalities following the 74th Amendment. Subject to clear performance and financial norms, and assured budgetary subvention, and assistance for access to financial institutions and the capital market, the special agencies should be given functional and financial autonomy, including fixation of tariffs, appointment of staff, execution of works etc., At the same time, they cannot be allowed to bask in the warmth of monopoly in utility works, and should be obliged to compete on the basis of costs and performance. It is important to define their relationship with the municipal bodies, including mutually agreed norms of takeover of services, and ability to enforce recovery of dues without any pressure from the top. At the same time, the local bodies should be allowed to seek alternate agencies for execution of capital works, in case of delays and inefficiency by the state agencies. In the case of the metropolitan cities like Bangalore, the planning agency like BDA should be obliged to assume the regional planning and coordination function, and desist from competing for a slice of the real estate action. This implies that the state government refrains from designating too many agencies to operate multisectoral investment programmes in large cities.

Staff and Skills

It has to be recognised, in the context of equipping the municipal and urban agencies to discharge the responsibilities of decentralised government, that a major determinant of executive capacity of urban development agencies is their ability to employ and retain adequate professional and technical staff, adequate to the tasks of urban management and decentralisation of services and resources. Neither the integrated service structure of the Karnataka and A.P. variety, nor the autonomous staff appointment of the Maharashtra type, appears to have generated the appropriate staff structure. The fragmentation of executive authority has undermined the control of the Commissioner in the three states, while the rigid prescription of staffing structure and recruitment/promotion rules in A.P. and Karnataka has reduced the manoeuvrability of the Commissioner.

Municipal staffing should be related to their organisational needs and financial capacity, and ensure local accountability, market-driven compensation and result orientation. There is much to be said for a Municipal Corporation service (as envisaged in A.P. and Karnataka, but not enforced), but this has to be based on independent selection of candidates by an autonomous
service Commission, as suggested earlier, to ensure fair selection of professionally qualified candidates, and safeguard their career prospects as well as protection from arbitrary and politicised control.

Meanwhile, it is necessary to attend to the factors that affect the effective functioning of municipal authorities such as: the delegation of powers, geographic decentralisation, staff management, fixation of responsibility, lines of control and supervision, internal management structure and processes, rational and differentiated salary scales, the lack of a well-devised system of incentives/rewards and punishment, promotion prospects, career mobility within or outside the organisation, and the absence of a training/HRD plan.

It would be useful for the state governments to set up an expert committee to sit with the Municipal Corporations to devise an appropriate staffing structure and organisational plan to address all these factors, taking a cue from successful corporate enterprises, and examples within and outside India. This would help in the redeployment of existing staff in ways that help address the assigned and additional tasks of city management, provided they are equipped with additional skills. The various steps taken by Ahmedabad Municipal Corporation to induct persons with advanced management and accounting skills, to predicate promotions to higher posts on the possession of prescribed qualifications, and to take competent persons on short term contracts for specialised posts, and to professionalise the entire municipal cadre, deserve to be studied in this context. Of course, what was possible in a city with a culture and size of Ahmedabad may not be possible in smaller towns.

Norms need to be prescribed for different activities on the lines attempted by some of the State Finance Commissions. Appendix X suggests Municipal Staffing norms, which can be adapted to local needs. The exercise should lead to a plan for stopping new recruitment in unskilled manual jobs, identification of areas for privatisation and reskilling likely redundant labour, mechanisation of office and engineering jobs, and working out processes for internal communication and coordination. Similar exercises are warranted in the functional agencies, which are more susceptible to corporate organisational studies and performance-oriented management, instead of having to follow bureaucratic structures.

**Building Skills**

The search for adequate skills in the Municipal and urban agencies should start with the identification of missing skills for existing and new functions, and of inculcation of new attitudes of responsiveness to community and citizen needs, informed by approaches adumbrated in national and state policies. The proportion of supervisory staff with adequate skills has to be scaled up over a period of time, partly by insitu upgradation of existing unskilled lower level staff, and redistributing the proportions of supervisory and lower level posts. Here again, the Ahmedabad example is worth noting.

It has been left to state governments like Maharashtra, A.P. West Bengal, and Tamil Nadu to initiate statewide action for ensuring valuation by town planning department or a central valuation agency, laying down scientific principles for assessment of different properties, and enforcing periodic revision of rateable value. The provision for appeal to the Standing Committee regarding assessment, in states like West Bengal, has diluted the effect of scientific valuation.
The dramatic impact of assessment of properties through objective and independent valuation has been shown in respect of a number of municipalities in Maharashtra. This has been followed up by the training of the assessment staff and the provision of readyreckoners for the assessment of different properties according to objective criteria. Patna has shown similar dramatic results from the prescription of objective criteria for valuation and improvements in revenue collection. Delhi introduced various reforms in the valuation, tax structure, incentives for prompt payment, self-assessment, summary assessment of low value properties, computerisation of property information, assessment of properties of government departments and agencies, selective increase in staff strength, ABC analysis of arrears and special squads for checks on assessment and recovery, etc., Ahmedabad registered a huge increase in collections by high level attention to the resolution of disputed cases before the high Court, and by various effective simplification and streamlining of procedures.

The search for skills thus implies that:

Specialised cadres for property valuation (with the help of a well-trained state town planning department or the local association of professional valuers) has to be built up;

the accounting cadre has to be well-versed in financial control and commercial budgeting;

the auditors have to be informed by the principles of commercial auditing followed by Comptroller and Accountant General of India and corporate sector auditors;

solid waste management has to be informed by the innovative practices of city level conservancy engineering and community-based garbage collection and disposal as in Ahmedabad;

the engineering staff has to upgrade their skills of road construction and street furniture, buildings with appropriate technology, knowledge of modern techniques of project management as in New Bombay, operation of machinery in different areas, streetlighting etc.;

health staff have to be aware of health surveillance and preventive health aspects of urban services, outreach health care, hospital administration etc.;

the teachers have to imbibe the principles of pupil learning and retention, and non-formal education.

The interdepartmental aspects of teamwork, mutual learning and communication, joint responsibility for output, participative processes of management, interaction with other city agencies and the formal sector, people-oriented systems and speedy administration, are skills to be built up in the context of the emphasis on grassroots democracy and accountability.

An important organisational requirement, which can be addressed through national and state support agencies, is the updating of maintenance and operational manuals in understandable terms, their communication to all the staff, and the compatibility of maintenance and service laying schedules of various utilities. Capacity building and training need to address these lacunae.
Reform of Performance Appraisal System and Motivation

Because of the dissatisfaction with the ACR's as an instrument of performance appraisal, there were proposals in the case study cities for promotion by seniority, which is not amenable to manipulation. On the other hand, seniority alone as the basis of promotion could hardly motivate the employees towards better performance on their job and enable the emergence of an achievement-oriented culture. Because of the pervasive distrust of ACR's, the organisation action in regard to rewards and punishment do not follow from the actual performance on the job. Thus, the acceptance model rather than the excellence model would dominate organisational behaviour in most municipalities. Capacity of the employee to mobilise local influence rather than his performance on the job becomes the main means of seeking the available opportunities for promotion or rewards.

Personnel management requires appropriate managerial expertise at the top, and a unified executive authority with clear lines of responsibility, control and accountability, on the lines of the Mayor-in-Council in Calcutta, or in the mould of the American City Manager with effective control over administration subject only to policy guidance of the political body. At present, the system follows the establishment approach, characterised by its concern with applications of rules governing pay, leave and other conditions of service. There is little realisation that a positive approach to personnel functions such as selection, recruitment, training and development, transfers, performance appraisal and promotion can improve administrative performance by making best possible use of human resources. The essential conditions of effectiveness of any form of performance appraisal, such as clear job specifications, appropriate management structure, and competence-based organisation behaviour, are almost absent in most municipal organisations. Action can certainly be initiated for improving the objectivity of performance appraisal by a better designed ACR, or by reliance on citizen feedback techniques. However, their utility will depend on the extent of willingness and interest of the top management to use them. Performance orientation will be given to municipal administration only by insulating personnel functions from politicisation, as distinguished from responsiveness to popular demands.

It is necessary to address vital link of motivation and incentives of the employees to the ills of the present staffing structure: political control over, or the arbitrary nature of, selection, promotion and transfer of employees, as well as disciplinary proceedings; the ineffectual performance appraisal and the lack of correlation of career advancement to appraisal systems; the highly incremental salary scale and stagnation at different levels; exclusion from programme and policy formulation even at operational levels; and pressures created by unionisation against individual excellence. Bombay has shown that the attraction of Municipal service can be associated with status and functions of the Corporation, even in a city with high income levels. The successes of some Corporations and utilities with building up a motivated staff, within even the existing constraints, shows the possibilities with a committed leadership, citizen pressure and intangible spurs to staff motivation.

Budgets and Financial Control

The directions of financial reform of the Municipal Corporations and the urban infrastructure agencies have been sketched out in recent years by a number of expert committees, and, hopefully, this will be addressed by the various State Finance Commissions. The
deficiencies in providing various services in the four cities, and the uncovered areas with low and middle income groups, testifies partly to inability to provide adequate resources and facilities and inefficient planning and execution of schemes. With reference to the essential functions and the tolerable norms of expenditure, the estimated financial requirements for current maintenance and the coverage of uncovered areas need to be assessed, prioritised, and provided in the budget of the municipal bodies, and the utility agencies. This has to be preceded by a deficiency analysis of the type attempted in the FOP analyses conducted for the towns in Tamil Nadu, and the priorities fixed (interactively with the corporators and Wards Committees as attempted in Baroda) among different projected needs, with iterative exercises during the year in the light of resource shortfall. This has to be related to revenue mobilisation and cash flow analysis, and efforts for effective cost recovery.

The examples of property tax assessment and collection in cities like Delhi and Patna show the possibilities of mobilising the staff for additional revenue realisation. Other areas for reform include: periodic and market-related revision of rents of corporation properties and commercial premises; privatisation of revenue collection and recovery of various licence fees; building up database on properties and lands, the index of prices in different areas, the interrelation of different departments for bringing all the properties and consumers under the tax net etc.,

The resource crunch of state governments, and their likely inability to continue to subsidise financial imprudence and deficits of the municipal bodies and urban agencies, would increasingly oblige the urban local authorities and utilities to raise most of their expenditure requirements from their own revenue sources by efficient financial planning. The revenue efficiency of existing taxes like the property taxes has to be increased by differentiated rate schedule, review of all exemptions, scientific valuation, quick resolution of disputes and court cases, development of a trained cadre of valuers and resort to professional valuers, periodic revision of rents and fees linked to inflation and market rates, computerisation of tax records and assesses, linkage of tax records and building data, incentives for self-assessment and prompt payment, improved buoyancy of octroi, privatisation of collection operations to the extent feasible, penalties for defaults, staff incentives for higher collection, training of revenue staff etc.,

Cost recovery for water supply and sewerage has to be ensured on viable terms, together with steps to delink them from property valuation, universal metering, community metering for slums, recovery of garbage collection fees from bulk generators, imposition of sewage surcharge related to water charges, recovery of portion of the capital cost of water supply and sewerage from land-based charges and plot prices, and through connection fees etc., Cost effective procedures and technologies, and waste minimisation rank as much in importance as revenue mobilisation, as also the adoption of realistic standards of service and planning in preference to elitist standards. The conservation of water and reduction of unaccounted for losses alone could augment water supply in many cities. The Waluj development near Aurangabad indicates the scope for the development of land, services and community facilities through participative development at no cost to the development authority. The use of planning instruments for urban development is more highly developed in Maharashtra in other states, and deserves replication on the basis of a closer study.

The infirmities of the present budgeting and accounting system need to be addressed by systematic reform of the type attempted in Baroda. It is necessary in order to project a correct
picture of the financial position of the corporations and urban agencies, and to improve their creditworthiness. The beginning has to be made with the appointment of Chief Accountants and Chief Auditors with adequate cost accounting skills (such as the proposed requirement of chartered accountancy degree in Gujarat), and the in-service training of account staff. This has to be accompanied by revision of the Municipal Accounts Code and Audit Code with the approval of state government, in order to facilitate budgetary reform. This will be supported by systematic building of information on a variety of financial parameters, service levels and costs, linked to city level database similar to Urban Indicators.

Direction of Budgetary Reform

The budgeting and financial control reforms can comprise of:

- Judicious division of the budget in relation to activity and responsibility, and decentralised to the neighbourhood level;
- Segregation of revenue and capital budget, and the adoption of the accrual based budget;
- Adoption of zero base budgeting system;
- Prioritisation of expenditure, and linking it to revenue generation;
- Centralised financial control;
- Priority works committee for agreed priorities of all departmental heads on works;
- Interactive finalisation of the budget in the Standing Committee and Corporation;
- Regulation of suspense account advances for works and the procurement of materials;
- Annual works tendering and item rate tendering, as well as resort to turnkey and project management-based large works;
- Monthly cash budgeting, based on allocation of funds for prioritised items, and linking it to additional revenue mobilisation;
- Improved management of receivables and tax recovery;
- Better billing and payment of contractors;
- Performance-based auditing system;
- Introduction of general and project cost system;
- Financial forecasting and information system and computerised M.I.S.

Managerial Requirements of Financial Reform

The centralisation of expenditure powers has to go with the geographical and functional deconcentration of authority. The functional managers need to have powers to reallocate funds among different budget heads, and be authorised to utilise savings from efficient spending for
much needed new activities or equipment. (This has been stressed in the Osborne and Graebler book on Reinventing Government). The Bombay Corporation has coded its expenditure budget by activity and responsibility, and allocations are disaggregated up to the fourth level of management. The Assistant Engineer in charge of water supply in one area, for example, has control of a precise budget. The computerised accounts system helps to pinpoint variations in expenditure from approved outlays. Geographically decentralised budget of course calls for accurate service standards and unit costs. The balance sheet of the municipality should so depict revenue and expenditure that the real net worth of the municipality and its basic solvency can be identified after unpaid bills are set off.

We require a professional body of local government financial managers (as in the case of U.K.) to publish comparative statistics of unit costs of various local authority services and costs (these are used by the U.K. Audit Commission to identify and disseminate good practices. (the need for such a professional body of municipal chief accountants, and for such accountants to be professionally qualified, was stressed by a number of municipal accountants and auditors).

It is worth noting, as mentioned earlier and in the context of further amendments to municipal laws, the provision in the Calcutta municipal Corporation act, 1980, for a Municipal Accounts Committee on the lines of the public Accounts Committee in Parliament and state legislatures.

In theory, the machinery of financial control operates a) through the power of higher authorities to sanction municipal budgets or authorise expenditure beyond certain limits, or b) through the appointment of internal and external auditors. The first measure operates mainly to create delays in sanction of works and proposals, as the state government has little time or adequate and capable machinery to scrutinise technical proposals. It would be better to rely on codification of financial rules and regulations, and expenditure norms, and enforce proper regulatory audit, rather than insist on itemwise approval of expenditure sanctions.

The management systems in municipal bodies are different from those of higher level governments, and this has implications for financial administration as well. In the state government, financial administration is designed to subserve the needs of legislative and executive wings, but no such design is present for municipalities. As part of the effort to ensure the functional and fiscal autonomy of the municipalities, the amendments to legislations and codes should seek to design a system of external financial control and delegation consistent with the overall reform of decentralised government. An important prerequisite is the building up of information on a variety of financial parameters, service levels and costs, linked to city data base of the type proposed in the Urban Indicators format of the UNCHS (for which some state governments like Tamil Nadu have initiated pilot projects).

These reforms can be enforced through support from the state government, leveraging of financial institutions as a condition of capital loans, and the building of up of professional skills.

**Support from State Government**

These efforts are course predicated, as the 74th Amendment envisages, on the assignment of elastic revenue sources, fiscal autonomy and control over revenue mobilisation, objective criteria for shared tax revenues and grants, and access to borrowing on the basis of capital market criteria for creditworthiness. It also calls for the eschewal of the state governments of the control of
taxation rates and exemptions, and shift to mandated revenue sources and performance norms of the type enforced under the Revised Grant System of Calcutta Metropolitan region municipalities. They need to devise supportive legislative and other actions such as the reform of property taxation in A.P.; taxation of central and state government properties; building up data base on municipal finances and costs; dissemination and support to innovative budgetary practices; access to borrowing from different sources; building up state level urban finance intermediaries such as the joint sector venture in Tamil Nadu, for the access to capital finance for infrastructure on commercial terms, with adequate safeguards for the poor; regulatory and promotional arrangements for privatisation; support to land-based revenue systems; depoliticisation of user charges and cost recovery for urban services at all levels.

**Accountability and Participation**

Accountability is an integral part of the broader aspect of urban governance and civic society, and lends true meaning to democratic local self-government in urban areas. It operates both upwards and downwards. The upward accountability of municipal and functional agencies to higher levels of government is enforced through performance and financial norms, audit, and conditions attached to the devolution of funds. Inept state control defeats the objective of municipal efficiency and can lead to delay or political manipulation of municipal affairs. There is a danger of mutual irresponsibility in state-municipal relations, if accountability norms are not properly devised in the new regime under the 74th Amendment.

If the urban government agencies are to be accountable downwards to their constituents and beneficiaries, then the greater participation of the citizens in civic activities is imperative. This involves different stakeholders such as: the evolution of a systems of incentives and penalties for the service providers and municipalities; facilitating alternative service provision, and public-private partnerships for the public to be able to exercise choice; and evolving a transparent system of checks and balances to regulate the strategic behaviour of the stakeholders. This involves also the development of an effective and transparent public accounting mechanism, and the definition of the role of citizen groups and voluntary agencies, in addition to participation through elected representatives in municipalities and panchayati raj institutions, Wards Committees, Planning Committees etc.,

A number of steps are suggested for greater accountability of urban government institutions and citizen participation. These will also reduce the scope for corruption and harassment of citizens:

1. Provision of regular information to citizens in understandable terms through booklets and the media, about the policies and programmes of different agencies, procedures, financial payments for services and taxes, location of offices, penalties for default, methods of obtaining watersupply and other connections, building permit and planning requirements etc., information also about the obligations of the local government and utilities, and the rights of citizens, the proposed legislation for freedom of information will ensure enforceability of access to information;

2. Decentralised location of service agencies, easy availability of officials for complaints and grievance redressal, automatic procedures for minor repairs and simple permits;

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3. Immediate action for simplification of procedures, manuals, permissions required for house construction and land development, service connections, licences, registration of documents, correction of wrong bills, possession certificates for land and houses, freehold title on full payment of plot price, non-agricultural permission from the revenue department etc., and transparency in various dealings of agencies;

4. Streamlining of internal systems, apportioning service areas more manageably among different field staff and supervisors and providing them adequate mobility to service the people, obligation to indicate definite date for compliance with request or delivery of permit (as attempted by the Passport office), single window dealings with the public, helpful attitude of staff, dual track system for services, in order to differentiate those requiring emergency provision and others, on par with the commercial sector; reforms in selection and training of staff, staff incentives, supervision and monitoring, performance indicators etc., discussed earlier are all important in the systemic reform.

5. Taking the people and the consumers into confidence about the rationale for valuation of land and property, development charges, revision of tax rates and user charges, relating increased charges to better service or increased assured supply; the investments for more efficient and assured supply and service will help people to avoid infructuous investments on pumps, generators etc., to provide against erratic or unreliable supply, and will thus induce more responsive payment of extra charges.

6. Periodic efforts to measure the level of public satisfaction with public agencies, such as the survey of three cities by the Public Affairs centre of Bangalore, and promote well-publicised intercity comparisons of the performance of different public agencies. As Dr. Paul observes, 'This will inform and stimulate governments to take action, and strengthen the hands of local groups to seek better service and accountability from their public agencies'. The growing movement for citizens changes should provide a platform for these efforts with citizen involvement.

7. Individual complaints and action against defaulting public agencies through Ombudsman type agencies should be encouraged, apart from the availability of legal remedy through Consumer courts, judiciary etc.; These are however no substitutes for systemic reforms of the type that can be ensured through the audit wing attached to the Lok Ayukta office in Karnataka.

Accountability calls for a positive attitude to the initiatives of citizen groups and civic associations at city and neighbourhood level on the lines witnessed in Pune, Baroda and Bangalore, and linkage of decentralised offices of the Municipality and service agencies with these groups for feedback on services, greater accountability, and prioritising future action. National campaigns on specific themes such as the proposed Clean city award of the Central government, can help to mobilise collective action for sanitation, as seen from Indonesia, and as seen in another sector of literacy in India. It is vital that innovative and responsible leadership at the community and city level is rewarded and honoured. It does not often occur to city governments to offer proper status on the sanitary workers, such as their designation in Manila as metroaids with impressive uniforms and proper implements, or such as the award by the Mayor or the Minister to the best sanitary worker in the city.

Mobilising the 'voice' of the people requires collective action of the type seen in the case of EXNORA in Madras, or in the case of mass literacy campaign in Kerala, or for participative
upgradation in the case of pavement dwellers in Bombay. Networks of such organisations are emerging such as the CIVIC groups in Bangalore and other cities in Karnataka, the network of NGO’s concerned with the rehabilitation of street children, the Actionaid group for the handicapped, the city level branches of the National slum dwellers Federation, the network of NGO’s involved in composite credit schemes for the urban poor (which is assisted by Habitat Society of HUDCO), the collectives of poor women living in slums and pavements called the Mahila Milan in different cities, the network of NGO’s involved in community-based waste management besides branches of EXNORA in different cities, the low cost sanitation network of the SULABH, and the network of NGO’s and community organisations concerned with homelessness and the demand for Housing as a Right.

Not only are the public agencies in different cities involving these networks in various schemes, the central grants for many disadvantaged groups flow through them.

It is necessary to exploit fully the potential for dissemination of experience, upscaleable pilot initiatives, training of community workers, participative evaluation surveys, and more effective use of scarce public funds through their involvement. It also implies affording opportunities for the active participation of voluntary agencies in the provision of basic services and community facilities. The Baroda Citizens Council represents a genre of NGO, combined with a totally representative citizen group, that deserves to be suggested to responsive corporate sector in different cities.

The Potential of UBSP

It is evident that the Government of India and the state governments see in the Urban Basic Services Programme the full scope for decentralised and participative delivery of services to the urban poor, with the accent on convergence, community participation, child-mother focus, cost effective service provision, encouragement to community organisations for the management of community facilities and income-generating opportunities, and partnerships at various levels. The elected municipal bodies are seen as the chief initiators and operators of the programme, especially with the institution of the urban poverty eradication fund, and the building up of community development skills. The experience with the UBSP is, however, varied, and the success seems to depend on the breadth of the programme, the status of the Commissioner in the official hierarchy and his initiative, the sustained interest of the state government, the coordination of enabling shelter policies with UBSP, etc., The political interest in the programme has also been ambivalent. It is necessary to document, evaluate and disseminate UBSP and Urban Employment Programme (NRY) experience, identify and remove the bottlenecks, upscale the programme coverage in the city, start with convergence from the secretariat departments, and integrate the programme with the decentralised municipal structures in terms that make political sense to the elected councillors.

Reducing Corruption

Apart from structural and regulatory factors noted earlier, the all pervading factor at the national level of course is the declining standards of ethics and moral standards in public life, consumerism, growth of black money etc., As regards structural factors and the streamlining of administration, the Lok Ayukta of Karnataka has suggested steps to simplify procedures in respect of Development Authorities and departments having large dealings with the public, apart
from efficiency-related steps to control sub-standard works and excess payments. The involvement of citizen committees and voluntary agencies with the activities of agencies in charge of housing, land allotment and services is expected to lessen the leakage of funds and facilities meant for beneficiaries.

The Strategy for Urban Government Reform is Described in the Adjoining Text Box

It will be useful for the Central Government to initiate an exercise for the drafting of a Model Municipal law, covering all the provisions of municipal government and administration, and arrive at a consensus with the state governments on its provisions. This can be accompanied by exercises for consequential amendments to all the relevant state and central laws to ensure coordinated urban government possible. A timebound programme can be agreed for the enactment of the Model law, with due regard to circumstances and needs of individual states.

The rest of the Chapter outlines a strategy for capacity building for urban government institutions, within the framework of changes in the present legal and institutional framework described earlier.

Context of Capacity Building

It is obvious that training for urban government personnel, to be meaningful, has to be organised within the context of the urban organisational development, supplemented by a plan for human resource development. This is in turn to be linked to a variety of personnel systems prevalent in different states, as also to the HRD efforts directed at the state administrative cadres. Thus, to speak of municipal training needs alone, its assessment is a derived task for improving municipal effectiveness, and not a supplyside exercise for the provision of training by various providers (as is believed by most state governments and city authorities at present). The design and evaluation of training courses has to be in conformity with the objectives of municipal organisational development and HRD, derived from the preceding analysis of constraints and measures to tackle them. The context is provided by what was stated at the beginning of this chapter, the rapid growth of population in urban areas, the accelerating deterioration of services in large and metropolitan cities, the role of urban government in the New Economic policy, the role of municipal bodies in poverty alleviation, the thrust on participatory approach and decentralisation.

On top of the fragility of the municipal corporation setup to meet the above contextual demands and the traditional functions, due to various factors listed in the study, and its unresponsiveness to citizen needs, the 74th Amendment has envisaged substantial additional responsibilities on the municipal bodies of various sizes. These include, as in Maharashtra, the plans for economic development and social justice, slum upgradation, poverty alleviation and urban environment.

Of course, from the purely functional point of view, the actual HRD requirement would depend on the extent to which the functions now handled by the parastatal agencies are entrusted to the municipalities (there is no sign of this in Karnataka and A.P., while the conforming legislation has been passed in line with the 12th Schedule in states like Bihar and Maharashtra.), or they continue to handle the erstwhile functions. More importantly, the Amendment is an exercise for strengthening the municipal system through political empowerment and financial devolution appropriate to its functions. Coming in the wake of economic liberalisation, the
consequences of this amendment are also far-ranging in terms of municipal accountability, decentralised delivery and community control, partnerships and alternative modes of service provision, financial self-sufficiency, environmental and poverty concerns, and coordinated regional planning. The roles of municipal and urban bodies are becoming more complex and far-ranging.

Internal structure

The implications for the internal structure of the municipal government have been discussed and include:

- the introduction of flexible short and medium-term planning tools to supplement comprehensive long term plans by DPC's and MPC's;
- simplification of procedures and client-friendly systems;
- rational and autonomous staffing structure, with inbuilt scope for staff motivation and efficiency;
- ensuring manning of various posts by people with appropriate skills, through longer tenure of experienced professionals, manpower development and promotion policies; and
- full exploitation of available revenue avenues.

They are also required to coordinate, in their new tasks, with aggressive and better-equipped functional agencies under the direct control of the state and central governments.

Training Needs

Capacity building entails the development of individuals (HRD and training), and institutions (structures and managerial systems), and the operating environment of institutions. The operating environment has to be made enabling if the urban sector as a whole is to meet national needs. The wider dimension of local capacity has to be understood in the context of the 74th Amendment, and the policy thrust for involving the elected representatives directly in the tasks of urban development. The competition for political offices in urban government can open the door to responsible and innovative local leadership, and can become the driving force behind capacity-building efforts, as a few examples of dynamic Chairpersons of municipalities and Mayors have shown. To the extent successful local leadership involves both political and managerial skills, and the winning of community trust based on shared community values, the importance of building local leadership capacity is clear.

It is daunting to look at the training needs of the municipal bodies and the functional agencies in the field of:

- Housing (implementation of National Housing Policy and state level Action Plans, supply of buildable plots, direct construction for various income groups, slum improvement, building control, appropriate building technology, control of encroachments, regularisation of unauthorised colonies);
- Infrastructural Provision (water supply, groundwater exploitation, sewerage, low cost sanitation, solid waste management, roads and bridges, streetlighting, commercial complexes, markets, bus stands, truck terminals etc.)
• urban renewal (inner city development, shifting trades and activities, slum relocation, pavement dwellers);
• Urban planning and management (strategy plans, neighbourhood plans, microplans for basic services, developmental policy and prioritised investment planning, information base)
• Environmental management and control
• Social sector services including health care, maternal and child welfare, nutrition, welfare of the handicapped and disadvantaged, street children, literacy;
• Economic support and poverty alleviation, such as the administration of urban employment schemes, microenterprises, wage employment, support to industrial and services development as a part of liberalisation and globalisation of the economy;
• Community support and citizen involvement; public awareness and mass campaigns for targeted programmes; training;

In terms of subjects, it will cover: Municipal Administration and orientation; budgeting and financial controls; municipal services, operation and maintenance; urban programmes and projects; urban economy and environment; urban land and planning; urban and municipal finance; urban poverty alleviation and needs of the unserved; interpersonal and communication skills; intersectoral and interproject training.

The training plan would cover training of senior officials (decision-makers), middle-level officers (managers and technical staff), junior levels (technical and clerical staff), as well as the elected representatives and leaders (including considerable numbers of first-time women and Scheduled Caste councillors). Training design and HRD efforts will have to relate the training programme to the specific HRD need of the personnel operating at different levels. The training needs identification and analysis should produce a quantitative and qualitative picture of training requirements, covering:

• training subject areas (knowledge and skill training, according to functions and tasks of agencies and personnel, project-related training, with due regard to the specific needs of different cities and towns, and the role of the organisation);
• training target groups (state or city level agencies, functional agencies, secretariat departments, non-governmental groups, political leaders)
• training modes (in-class or on-the-job training, or location-base, integrated or decentralised, long or short term, course-based or workshop or sandwich type)
• timing of training (in accordance with the needs of the organisation, the execution of special programmes, and the prioritisation of different training needs)

Approach to Training Strategy for Urban Development

An effective national training strategy would envisage:

i. A demand-oriented training programme, which is responsive to the requirements of municipal bodies and state agencies, and to the requirements of organisational development, instead of being driven by training providers or state management;
ii. Support to decentralisation and regionalisation of training efforts, and changes in the perception of, and relationship of state and national training institutions with, decentralised and in-house training;
iii. Collaboration of all relevant agencies (such as HSMI, NIUA, IPA, AIILSG) which can contribute at centre and state level to the training process, training materials development, conduct of training and research; and interrelation of the training inputs under different externally aided and centrally aided projects, as well as project related training; access of national and state urban training institutions to senior policy makers in terms of understanding of approaches to policy and programmes, and contribution to development of HRD strategies; linkage to training of senior administrative personnel under central and state government training plans;

iv. Sustainability of training mechanisms, and enabling regional and state level training institutions to manage, finance and execute their own training programmes, with fees and consultancies to the extent possible; and

v. Support to the In-House training programmes and HRD of different municipal agencies;

vi. Coordination of training of field functionaries of different sectoral departments in terms of curriculum, joint participation etc., especially in the context of UBSP and infrastructure;

vii. Development and conduct of Training of Trainers programmes, especially for the conduct of In-house training programmes of the type run by Maharashtra agencies and a number of water supply utilities;

viii. Drawing up state level training plans, on the lines initiated in Karnataka, assessment of training needs, encouragement to in-house programmes for large agencies and centralised provision at regional level for the other, identification of state level nodal training and support agency, requirements of technical and infrastructural assistance, development of agency and subject-specific training materials and curricula, extermination of timing of courses, mobilisation of available training and HRD related funds etc.,

ix. The role of externally financed training programmes and ad hoc fellowships at the national, state and city level, and the need to build them into the training plan of the individual organisation and the state, instead of pursuing the Donor perceptions.

x. Reorientation of curriculum and courses of educational and technical institutions, as envisaged by the National Housing Policy, in order to create appropriate planning, engineering and architectural skills right at graduation stage, habitat professionals for human settlements approach, and the cross fertilisation of the academic bodies and the field agencies;

xi. Linking this entire effort to the National Training Policy and the ongoing effort of Department of Personnel & Training, Government of India.

Different training techniques and packages may be needed to reach the distinct groups of elected councillors, members of Wards Committees, officials, community groups, and the citizens-clients. The courses for decision-makers could cover political and official trainees as well as other agencies and lead to appreciation of mutual concerns. Courses for field functionaries and neighbourhood groups could aim at improved effectiveness of localised services and client-friendly procedures and systems. The courses for internal coordination, teamwork, and behavioural change must involve all layers of municipal and urban government staff. Training for public services could take lessons from its provision in some of the corporate training organisations (and even take their consultant help), where in-house training efforts and external training by management institutes play complementary roles.
Strategy for Capacity Building of Urban Government Institutions in India

Research Study Series
Number 62

Prepared by Dr. P.S.A. Sundaram, Additional Secretary (AR&T), Ministry of Personnel, Public Grievances and Pensions, Government of India, New Delhi, under the Technical Assistance provided by the Asian Development Bank, Manila, to the Government of India for the preparation of the Urban Sector Profile Project (ADB TA No. 2098-IND).

National Institute of Urban Affairs
New Delhi, India
April, 1998
Training Plan

Till training needs assessment capabilities are acquired by the municipal corporations and urban agencies, it may be necessary for the state government to mount the effort for the preparation of the training plan, with the help of consultants (given the large expertise for management training in the country), but with the full involvement of the municipal and urban agencies.

The proposed state training plan of Karnataka, for example, will address the training needs of the Departments and Boards that fall under the secretariat for Housing and urban Development; urban development authorities; the Municipal Corporations; and the town and city municipalities.

It will cover: the designation, experience and number of persons to be trained each year and for different programmes; the required number, frequency and priority of training programmes between 1996-2000 with regard to the current functions and costs, and the new functions consequent to the 74th Amendment; objectives, training approach and scope of training subjects; the institutions (public, private and NGO, Universities, consultants and experts) that could deliver the training programmes; the role of the proposed state centre for Urban Development and its capacity building; the modalities and institutional linkages for implementation, monitoring and evaluation of the state Training Plan; the financing plan.

Action has been taken meanwhile to designate the State Administrative Training Institute as the nodal agency for urban development training, to establish a State Institute for urban Development, and to identify the scope for financing the infrastructural and other needs through external aid and state budgetary support.

It is possible for other state governments also to draw up similar training plans for urban government personnel, set up or identify state level nodal training institution, and implement the plan by the collaborating efforts of the participating agencies and training/academic bodies. This plan can be dovetailed with available training programmes within the urban sector such as the UBSP and IDSMT, and those under other social sectors such as Health, Education, Welfare, and Women's Development.

Implications for In-House Training

Significant efforts by the Housing Authority in Maharashtra, and a number of Metropolitan Water Boards to devise in-housing training programmes and relate the training to organisational development. The metropolitan agency in Calcutta is training functionaries annually in its training centre, thanks to the impetus provided by the World bank programme earlier. As part of the ODA assisted slum improvement programme, Visakhapatnam and four other cities have developed training courses relevant to the project personnel and community beneficiaries, but it has not led to a general organisation-based programme. However, bulk of the functional agencies and Municipal Corporations have not integrated training with personnel management, performance reviews, promotion and job enhancement. On-the-job training is done in very few institutions, and the potential role of supervisors in training their own staff is not perceived.

The general approach should be to promote in-house training only in sector agencies and Municipal Corporations, where other action is being taken to improve efficiency and raise
service levels, and undertake organisational development; and to reorient training, along with purely technical training, towards management, financial and commercial aspects, consumer and citizen relations.

Some of the excellent precepts of Hyderabad Water Supply and Sewerage Board deserving emulation are:

- promotion based on educational qualification, performance on the job, and performance during training courses;
- different modules for training related to different stages of career viz., the orientation module (for all officials covering general orientation towards customer servicing, cost recovery, organisational and attitudinal aspects), core module (dealing with the core skills and knowledge needed for different types of jobs including engineering, finance and administration), and the complementary module (for specific skills complementary to one's functions);
- compulsory attendance in training programmes, and taking into account performance in training for annual performance assessment;
- high status of the HRD Division, and incentives for posting in that division based on training skills;
- incentive system for rewarding good performance, and for innovative in-house solutions to technical and organisational management problems; incentives for posting in jobs not involving award of tenders, such as design, quality control, checks of unaccounted for losses etc.,

This can be easily adapted to the needs of different sectoral agencies and municipal corporations, and the same autonomy which the HMWSSB enjoys in staff matters can be provided by state governments to make the training plan truly effective.

**Financing Options for Implementation**

The various measures recommended in this Study for strengthening municipal urban government institutions, and building their capacities, do not involve significant costs as a proportion of the total outlay on urban development and housing in the country. If the proposals relating to the rationalisation of the organisational and staffing structures were implemented, it is possible that the cost of supervisory staff may go up in the identified discipline areas, but this would be more than recouped through restoration of balance in the bottom-heavy structure, increased efficiency, cost savings in service provision, waste minimisation, and higher revenue mobilisation. Consequently, the proportion of staffing costs in revenue expenditure can actually decline, which effect can be enhanced by resort to alternative modes of service provision. Proper costing of services and activities, and the appropriate allocation of expenditure to different activities by skilful budgeting, may help in identifying the impact of additional skilled staff in the interest of more efficient and decentralised delivery of services. Certain activities like the UBSP and NRY are staff-intensive, till the momentum of community management is built up, and can taper off gradually. The increased expenditures for ensuring better O&M can be recouped by attention to responsive and effective cost recovery, and revisions of property valuation.

The training effort required over each year has been assessed by HSMI at 6576 training weeks, including 5376 weeks for the junior level (mainly within the organisation), 914 for the
middle level, and 438 weeks for the senior level. This order of training demand will materialise only if it is structured on the lines discussed above, and related to organisational development programme. If this training effort is to be largely dispersed over a number of urban organisations and decentralised training-providers, then the training expenditure would consist of: the allocations for national training institutions from Central government budget, dedicated grants of national level financial institutions for their training institutions or for the personnel in the sector, training grants under central government schemes, overseas fellowships etc; the allocations in state budgets for training municipal and urban functionaries for participation in the courses at state and central level, the grants for field level functionaries and beneficiaries under state level schemes, and grants to non-governmental agencies for identified courses; training budgets of city and state level organisations; budgets of universities and academic institutions etc., It is necessary to pool and interrelate all available funds for training under different schemes, and draw upon available funds for training and HRD in infrastructure programmes, in the course of drawing up a phased implementation plan for training. It may be more cost-effective to contract training grants to competent training providers at the local level (as attempted in ODA slum improvement projects, IPP, ICDS etc.), instead of the municipality or the sector agency seeking to run its own institution for all its personnel. It may also be possible to arrange for training through organisations of development authorities and municipal associations, as in a few developing countries.
The Final Word

It is important to note that the various measures suggested for the removal of constraints to effective and efficient urban management in India hang together, and require the coordinated efforts of the Central, State and city governments. They need to be fitted into the ongoing consensual efforts of central and state governments for recasting national urban policy and institutional development in the sector. The quality of life of the urban areas, and the well-being of the citizens depends, on how well the urban governmental system performs. Timely intervention alone can arrest the slide towards urban anarchy and blight.

Elements of Strategy for Urban Government Capacity Building

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<tr>
<th>Strategic Goal</th>
<th>Stakeholders</th>
<th>Actions Required</th>
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<tbody>
<tr>
<td>1. Formulation of Model Municipal Law, based on the consensus of Central and State Governments, and its timebound enactment by all states, in order to rationalise all aspects of municipal administration, and ensure organisational and financial autonomy of elected urban local bodies; and parallel amendments to laws governing the functional agencies and planning;</td>
<td>Government of India and individual State Governments; Various urban government agencies;</td>
<td>Setting up a Drafting Committee, composed of representatives of Central and State governments, experts, Mayors and representatives of urban agencies; Meeting of officials to finalise the draft of the law; Approval by the Central and State Governments to the law; Individual state action to draft amendments to existing laws and to introduce the amendments or new laws in the Legislatures for speedy passage; Careful sequencing of legislative changes;</td>
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<td>2. Clarification of functions to be performed by municipalities of different sizes, and the legislation of an exclusive list of municipal government</td>
<td>Central Government, in respect of Union Territories and Cantonment Boards, and also for working closely with state governments.</td>
<td>Detailed state level exercises on the clear assignment of essential municipal functions, agency and joint functions, and the recast roles of functional agencies; Introduction of amendments to municipal and other laws; Consultation of State Finance Commissions on financial implications</td>
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<td>3. Redelineate the roles of functional agencies and development authorities at the city, regional and state level, with due regard to the functional mandate of elected</td>
<td>State Governments, in consultation with Central Government and its agencies</td>
<td>Documentation of citywise position of institutional responsibilities for urban services, and identification of revised roles for existing functional agencies, including</td>
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<td>4. Redefining State-Municipal relations, in favour of greater functional and financial autonomy to municipal bodies, and replacement of rigid controls by flexible performance norms and financial parameters</td>
<td>State Governments State Finance Commissions Politi-cal leaders and officials of municipal bodies Central Government (for incorpo-rating this in state urban strategies;) State Finance Commissions</td>
<td>Examination of all existing legal provisions and executive instructions relating to various forms of control of municipal agencies and parastatals; Replacement of day to day controls, and requirements of submission, by normative rules based on performance criteria and financial incentives; Greater delegation of powers for expenditure, and eschewing control over tariffs and taxes; autonomous systems of staff appointment and local staff control, subject to efficiency and cost guidelines; Early action on the recommendations of the State Finance Commissions, in order to institute predictable and assured systems of revenue sharing and revenue assignment, commen-surate with the responsibilities of municipal bodies, along with greater scope for access to the capital market for capital expenditure;</td>
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<td>5. Ensure a clear focus of executive authority withing the Municipal body, and remedy the present fragmentation of powers among different authorities</td>
<td>State Governments, in consultation with elected element in the Corporation</td>
<td>Consider amendments on the line of the Calcutta Mayor-in-Council; or alternately, equate the Commissioner to the American City Manager, with full control over execution and staff; Ensure long tenures for the</td>
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<td>6. Promote rational and competent staffing structure for urban government institutions, adequate to discharge the responsibilities of decentralised government</td>
<td>State Government, Elected Office-bearers and senior officials and municipal bodies</td>
<td>Commissioner, and build up a cadre of officers well-versed in urban management for city government posts. Set up an expert committee, with municipal representation, to review present municipal caderisation, staffing pattern, and internal management structure, and initiate urgent steps to ensure autonomous staff structures predicated on adequate remuneration, performance norms and control over unproductive staff expenditures; the deputationists will have to be phased out as locally appointed staff takes over; Establishment of independent Municipal Service Commission for the recruitment of municipal personnel with required competence in different disciplines, promotion to higher posts, appeal powers in disciplinary proceedings etc. The Commissioners will have full control over all staff matters, training, discipline etc. The Govt. Would simultaneously consider steps to upgrade the capacity of its administrative departments and supervisory age-nicies, and promote interagency coordination, using its financial leverage.</td>
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<td>7. Promote appropriate systems of accountability, incentives and performance appraisal</td>
<td>State Government, Municipal Corporations, State Finance Commissions, Management Consultants</td>
<td>Institute rational systems of performance appraisal; promotions linked to such appraisal and objective criteria (besides seniority), such as individual efforts to upgrade skills by training and other means, client-sensitivity etc.; Dialogue with Unions for incentive-linked productivity.</td>
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<td>8. Undertake reform of budgeting systems and financial control</td>
<td>State Government, Accountant General, State Finance Commissions Municipal Commissioners and Finance/ Audit Staff, Consultants</td>
<td>Preparation of a Municipal Accounts and Audit Manual, drawing upon the successful experience of Corporations like Madras and Baroda, and in consultation with the Controller and Accountant General; Phased shift to Accrual-based Budgeting, and performance auditing; Accurate estimation of costs of activities and services and centralised financial control; improved management of receivables and tax recovery; computerisation of all finances, accounts and property taxation; improved tendering processes and works management; linking expenditures and revenue realisation and cash budgeting; interactive finalisation of the Budget in the Standing Committee, and avoidance of artificial balancing of Budget; enhancing accounting and auditing skills, as well as financial analysis;</td>
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| 9. Promote vertical and downward Accountability of urban government institutions, and participation of all stakeholders of civic society in urban governance - Partnerships and Privatisation | State Government and political leadership, Municipal elected and official element, Corporate Sector, Voluntary agencies and professional associations, Citizen groups and various interest groups, Judiciary, Community level associations, women’s groups etc., Media | Simplification of manuals, procedures, and executive orders for various approvals such as land development and house construction, repairs and additions, service connections, licences, registration of documents, billing and payment for services, financial assistance etc. Decentralised location of service agencies, prompt attention to complaints, easy availability of concerned officials, automatic procedures for minor |

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<th>10. Promote privatisation of municipal services, and various forms of partnership with among public agencies, and with various citizen groups</th>
<th>State Government Municipal bodies and public agencies Private sector and contractors Community groups and voluntary agencies</th>
<th>Action has to be initiated by state government and the public agencies/municipal corporations for identifying the services to be privatised, or entrusted to community groups, the location, the standards of service, the costs and specifications, delivery process, tendering and bidding process, alternate recourse for default building up competence of contractors, arranging for working capital, and building up support of the citizens and political leaders through adequate communication; Taking up pilot projects in promising areas in order to create an environment for upscaling;</th>
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<tr>
<td>11. Capacity Building and institution building, and</td>
<td>State Governments, with support from the Central</td>
<td>Implement the strategy for capacity building and training</td>
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<td>human resource development in all relevant urban government institutions, as well as stakeholders</td>
<td>Government and the institutions under its control; the urban government institutions and the political leadership; the training institutions and professionals; external aid agencies;</td>
<td>outlined in the document, by joint action of the government, urban government agencies, and the training institutions, with appropriate support from external aid agencies.</td>
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Annexure

CASE STUDIES OF URBAN GOVERNMENT

The various issues related to the institutional and legal framework of urban government in India, and their implications for capacity building of the urban institutions, have been discussed in the main Chapters. This Annexure elaborates the critical constraints to effective and efficient urban government in four major cities of India, in the course of their description of their role in the economy of the concerned states, the situation with reference to institutions and services, as well as the local perceptions of the problems. It would help to explain, in terms of detailed field level analysis, the various observations in the main Chapters on urban government in India.

The cities have been chosen in the light of their representative character in three rapidly urbanising states of India, and the varied picture of urban government that they present, as will become evident in the course of the narration.

AURANGABAD (MAHARASHTRA)

Aurangabad is one of the fastest growing cities in Maharashtra in western India, thanks to rapid industrialisation and tourist potential, and the stimulating policies of industrial dispersal followed by the state government. It is also the capital of the comparatively backward Marathwada region, now being benefited by various measures under the state Five year Plans to address the backlog in urban and rural infrastructure, including major irrigation and road projects. The urban agglomeration had a Censused population of 5.92 lakhs in 1991, and had registered a very high growth of 87.11% during the decade.

The adjoining areas towards the airport were designated as a new town area and entrusted to City and Industrial Development Corporation (CIDCO) for planned development for industrial and residential purposes. This has been almost fully developed, and has been brought under the municipal limits a few years ago. CIDCO has also taken up for development another area called Walunj township outside the municipal limits for similar industrial and residential development, and the first Nagar or sector is nearing completion. The Maharashtra Industrial Development Corporation (MIDC) has developed industrial estates with industrial plots and common facilities for industries of different sizes. It is developing another industrial area, also outside the municipal limits. A number of leading private industrial groups have established industrial plants, and are in the process of setting up new units, because of the excellent communication links of the city, cheaper land and services, and proximity to Bombay. The tourist potential of Ajanta and Ellora caves is leading to private and public investment for tourist facilities near the tourist complexes. The older part of the city has benefited less from new investment or renewal, even as the new developments generate pressures for additional services on the Municipal Corporation and other agencies.
Under the Bombay Provincial Municipal Corporations Act (BPMC), the Aurangabad Municipal Corporation (AMC) is entrusted with almost all the civic functions of relevance to urban planning and development, and the recent amendments to the Act have expanded the list of functions to cover urban poverty alleviation, economic and social planning and urban forestry as well. The AMC is competent to plan and undertake all capital works. However, water supply and sewerage works costing over Rs.10 lakhs are to be entrusted to the MWSSB for execution, although the Government can relax this requirement, and permit these works also to be executed by the Municipal Corporations, provided there is adequate technical competence with the Corporation. The streetlights are maintained by the AMC with the help of MSEB staff, but the installation of streetlight poles and their shifting, as well as investment for distributional improvements in power supply to different areas are undertaken by MSEB out of their own Budget, or under deposit contribution from the AMC and other development agencies including private parties.

A number of tasks related to the functioning of the city are handled by other agencies. City transport services are managed by the Maharashtra State Road Transport Corporation in Aurangabad. It is worth mentioning here that, in Maharashtra, a number of Municipal Corporations are managing city transport, such as Bombay, Pune, Kolhapur and Solapur. Traffic management is the responsibility of the Commissioner of Police, and the AMC is involved only in the improvement of road network, construction of traffic islands and street furniture, improvement of streetlights etc., as per the requisition of the Police. Electric supply to residential and industrial consumers is handled by MSEB (Bombay being the only case in Maharashtra where the Municipal Corporation is responsible for electricity distribution in a part of the city). Though the AMC is responsible for urban environment now, and is in fact required to submit an annual report on the preservation of environment in the city, its functions in this regard are so far confined to the development of parks and tree plantation. The State Board for the Control of Pollution administers the Environment Protection Act, and takes action against defaulting industrial units as well as the AMC itself for the discharge of untreated effluents and air pollution.

Planning of Industrial Areas

Aurangabad is one of the most rapidly expanding industrial areas of the state, with conscious support policies and concessions from the state government. The Maharashtra Industrial Development Corporation (MIDC) had developed the industrial estate in 700 hectares of Chikalthana, and this had been handed over to the AMC for maintenance. Many of the units in Chikalthana are reported to be sick. The MIDC has also developed the industrial area in Walunj with 1500 acres and most of this has been allotted to industrial units. It is proposing to develop another area of 2500 acres on the Nashik road. CIDCO is another state agency that has developed an entire township called New Aurangabad (now integrated into the municipal limits), and is now developing another new town in Walunj. The two state agencies function as planning and development authorities for the designated areas, and may choose to maintain the developed areas themselves, or negotiate their transfer to the AMC. The AMC is not consulted about, nor involved in, the proposals to locate industrial estates or townships, and these decisions are taken by the concerned state agencies like CIDCO, State Industrial Investment Company (SIICOM) and MIDC, with the approval of the concerned state Departments. This tendency has been
strengthened by the amendment of the Maharashtra Regional Town Planning Act to enable the declaration of the State Industrial Development Corporation as the Planning Authority, and generally function as the local authority for the industrial area. The establishment of these townships has not prevented the independent establishment of large industrial units by a number of corporate enterprises like the Bajajs and Modis. This has partly led to the slackening demand for plots from entrepreneurs in the areas developed by MIDC and CIDCO.

The lack of coordination and consultation at the stage of establishment of these townships, and in the provision of trunk services, is the genesis of the problems of takeover of the services and levy of municipal taxes in these industrial areas and new towns. The AMC quotes the example of the Chikalthana estate, where it was compelled to take over the area without the provision of drainage or sewerage, and the AMC had subsequently to incur millions of expenditure on these services, with no possibility of recouping the cost from the occupants. The industrial agencies plan their areas with varying levels of infrastructure, often at less than the full complement of services, in order to keep down the cost of the plots for the industrial units. In Walunj, the MIDC is not providing storm water drainage and sewers, and is recovering much less than the permitted development charges from the plot-holders, and a low service charge of 50 paise per sq.m. The AMC will face the problem of augmentation of urban services as and when the MIDC hands over these services. It is already facing the problem of expanding the road network in view of the heavy increase in vehicular movement due to the growth of industrial activity.

The problem faced by the residents in the colonies developed by the state agencies is of course the proper upkeep of services in the transitional period, and the simultaneous levy of service charges and property taxes. It is as much a problem of communication to the residents as of lack of advance joint planning by the AMC and the state agencies concerned. The consequence in CIDCO township is the stay order on the levy of property taxes, and a public interest litigation on the payment of service charges. There are frequent citizen complaints in the Press, and the alleged non-cooperation is a major grievance with the corporators.

Revenue Department

Unlike the municipalities, the State Revenue Department, headed by the Collector, does not exercise any control over the AMC, except that the Collector is the Secretary of the District Planning and Development Council which recommends allocations under the District Plan for various local level schemes including the schemes of the Municipal Corporation. The requirement of routing its requests through the above Council is reported to cause unwarranted delays in the processing of the approval of the AMC for development projects.

The Collector is also an important actor in the regularisation of unauthorised layouts in the city, especially those on public lands, and in the processing of requests for the grant of non-agricultural permission under the Maharashtra Land Revenue Code by the applicants for
individual construction of houses and other constructions (parallel with the process for the issue of building permits by the AMC and CIDCO for their respective areas) in these and other legal layouts. He is also concerned with the approval of layouts in areas outside the AMC and the Special Planning Authorities in the urban agglomeration. The requirement of reference of the application for NA permission to various government agencies is reported to be causing serious delay in the sanction of building permissions, and is perhaps one of the causes for constructions without building permissions.

Interagency Coordination

The issue of coordination has to be looked at the interagency level, and within the AMC itself. We have alluded to the lack of integration of industrial location plans of the state agencies and the AMC. Here, the consultations between the State level Departments in charge of Urban Development and Industries do not seem to have been carried forward at the local level. Despite the intersectoral composition of this Council under the Chairmanship of a Minister, the Council does not seem to concern itself with larger issues of regional investment planning and interdepartmental coordination in that cause. Hopefully, the mandated constitution of the District Planning Committee and the preparation of the District Plan by that Committee, would lead to an integration of spatial, investment and maintenance issues in the Aurangabad region.

As noted above, it is not fully appreciated that, although the industrial areas under development and future planning are outside existing municipal limits, they are liable for early merger in the municipal limits, with all the attendant civic liabilities, and obligation to pay taxes. The prevalence of three different infrastructure planning authorities makes the task of the MWSSB in the planning and execution of water supply and sewerage systems difficult, and leaves gaps in advance planning and coverage. This is seen in the parallel planning and execution of sewer lines and sewage treatment plants for New Aurangabad and nearby areas, and in the planning of the ring road near Walunj.

Since the recovery of capital costs of infrastructure for the new townships is an one time affair, through the levy of development charges or plot prices, the failure to provide for and recover all infrastructure costs by the MIDC and CIDCO in fact leaves the AMC with a huge burden of infrastructure gap (at a much higher cost) at the time of the inevitable takeover of services.

The State Electricity Board officials asserted that they had fully taken into account the demands of the existing and new industries in their investment and activity plans for the region. They lamented the fact that the land required by them for sub stations, transformers etc., are often not made available promptly by the industrial development agency or the AMC, and that the road alignments do not provide space for the future installation of electric cables and structures. They also regretted the heavy outstanding electricity dues of the AMC for water supply. The Corporation officials on the other hand complained about their dependence on the Electricity Board staff for the maintenance of streetlights and replacement of fittings, as well as new fixtures, and frequent delays in execution of works. They also complained about the exorbitant amounts demanded by the Board for the shifting of structures at the time of road widening or traffic circles, and pointed out cases where the full benefit of road widening could not be reaped on account of the poles in the middle of roads. Such mutual complaints are typical of the situation in most cities.
The citizens and the corporators complained about the problems of interagency coordination. This was also seen from a scan of local newspapers over the last few months, the recurring theme was about the frequent failure of streetlights and delays in replacement of fixtures, the heavy additional traffic generated by the new industrial areas unmatched by the widening of road width, failure to shift cattle and congesting activities from the city core, the lack of parking spaces in congested market areas, problems of traffic management, and the problems faced by the residents of the CIDCO township on account of the delay in the resolution of the conflict between the two agencies.

Apart from the problem of integration of activities of different agencies coming under the state government, there is the problem of coexistence with the Cantonment Board of Aurangabad under the Defence Ministry of the Government of India. It has a democratic body to reflect the needs and preferences of the people living in the area under the Board, but regional planning and integrated provision of infrastructure is hampered by the non-applicability of the State Planning law to the Cantonment area, and the control of the Defence Ministry over land use and planning in the area. The Divisional Commissioner referred to the reluctance of the Defence Ministry to permit a much needed bypass road to pass through the Cantonment area in the name of security. There are also instances of problems in the optimal location of water supply and sewerage lines, reservoirs, treatment plants, as Cantonment lands are not available. At the same time, the Defence Ministry is seeking for the Cantonment Boards a share of the state investments for urban development. Appropriately, this should be reciprocated by the willingness of the Defence Ministry to cooperate in the exercises of the DPC and the District Plan, and to assist in the integrated provision of infrastructure, and environmental management.

**The CIDCO Colonies**

Contrary views were expressed by the officials of CIDCO and the AMC about the maintenance of services in the New Aurangabad area, consequent to its municipalisation. At present, the conservancy services and streetlighting are maintained through Contractors by CIDCO, and the cost of civic services is partly recouped through service charges on the residents. The sewer lines for part of the area are to be connected to the trunk system being constructed by CIDCO, while the other areas will have to be connected to the municipal system. CIDCO is offering to make prorata contribution for sewerage, and additional amount to meet deficiencies in services, provided the entire area is taken over by AMC. CIDCO, however, expects to retain its role as Special Planning Authority and grant building permissions till the entire area is fully developed. AMC appears to be agreeable to take over the services, if the financial package is acceptable. Meanwhile, AMC has started levy of property taxes, and the citizens have gone to Court against the levy of both service charges and the taxes, especially when the water supply is insufficient, and their septic tanks are not connected to sewers. The entire issue is expected to be resolved only at the government level.

The problems of takeover of services in New Aurangabad are symptomatic of other townships of CIDCO in New Bombay, Nashik, Nanded etc., as well as the housing colonies developed by Maharashtra Housing and Area Development Authority (MHADA) in Aurangabad and other cities. While the agencies battle out the claims of the Municipal Corporation about deficient services and low standards and the demand for funds from the development agency, the residents have to face inconveniences in the access to basic services and sanitation, even as the municipality starts the levy of property taxes. Often unmentioned in the debate is the municipal
reluctance to take over the maintenance of additional areas in a context of insufficient resources even for the existing areas.

In the CIDCO case, there is the additional issue of the higher standards of maintenance civic services in their township, and the subsidisation of the contracts from their budget surpluses. AMC would find it difficult to sustain the present contractual services from out of the property tax revenue, or their already deficit budget. With some justification, the AMC is laying claim to a portion of the development charges collected by CIDCO in the area, or for CIDCO to hand over to AMC the entire area along with the unsold plots in order to provide some capital revenue for service improvements. The case of MIDC industrial areas is less intractable, because bulk of the occupants are industrialists, and the services can be managed on a cooperative basis.

**Approvals for Development and Construction**

The AMC is the planning authority for the municipal area subject to the provisions of the Master Plan, while the CIDCO and MIDC are the planning authorities for the areas under them. For the rural areas, not falling under any of these three agencies, the Collector grants approval of layout plans in consultation with the town planning department. The Master Plan for the original city area was approved in 1975, and is now being comprehensively revised with the involvement of the elected body. The Master Plan for the additional areas was approved in 1991, but even this requires revision. Because of the earlier concept of the Planning Authority itself acquiring and developing all the reserved sites and the facilities, the AMC has not been able to develop more than 30% of the reserved sites and Development Plan roads, due to resource shortage and land acquisition problems.

The recently approved Development Control Rules for Bombay, and the Master Plan for Walunj contain imaginative provisions for the development of common facilities and reservations, and for road widening, based on voluntary surrender of land by the landowner and investment by him in common facilities, against the grant of additional development rights. Even the extent of land acquisition for Plan implementation has been minimised, with the accent on the development brief and negotiated land transfer. These concepts will hopefully find a place in the revised Plan, and relieve the AMC of the financial burden of implementing the Plan through a more enabling approach.

The subdivision regulations and minimum plot sizes have been such as to make the cost of legal shelter beyond the reach of most people. This is accompanied by the problem of getting non-agricultural permission from the Collector unless it conforms to the Master Plan.

This has led to the mushrooming of unregulated layouts with small plots and very little services in the periphery of the city, and even within the CIDCO area. Such layouts and plot sales also spring up just outside the limits of the industrial townships in the hope of ultimate municipalisation and extension of services under political pressure. The holders of unapproved old layouts within the old city face the problem of getting building permissions as the plots are less than the prescribed size. The old cooperative societies in the CIDCO are also not regularised though they pay service charges.
These unauthorised layouts comprise a significant proportion of the population, without any assured civic services, nor access to regular building permission. The magnitude of the problem was stressed by both the corporators and the Press. The ad hoc solution is often to declare them as slums and provide basic amenities, without however the lasting solution of legal shelter. The architects noted that building permissions are delayed because of the requirement of clearances from the Revenue Department and other government agencies.

There is thus a substantial component of the land and housing stock within and around the municipal limits, characterised by deficient services, low and middle income residents, speculative dealings, outside the pale of formal building control, and denied access to formal institutional finance. The AMC also loses revenue on account of property tax on the unreported constructions. The development charges levied for regularisation at the time of building permission is found to be too high by the occupants. The problem arose primarily because of inappropriate regulations and approach to Master Plan to start with, and the lack of control over speculative layouts. Regularisation without cost recovery will impose a huge financial burden on AMC.

The Corporation officials face the aggressive resistance of the offending encroachers, hawkers and slaughtering merchants, to drives undertaken by the Corporation. In the context of the inadequate support from the local Police Department, the AMC is demanding a separate police force for this purpose.

**Internal Coordination**

The internal decision making structure under the BPMC Act viz., with the executive Municipal Commissioner, has been described earlier. The officials referred to the opposition of the Standing Committee and the Corporation to any proposal for increase in taxes and user charges, as well as for increased assessment of rateable value. The Mayor and the elected councillors, on the other hand, regretted official inaction for the development of many potential assets including vacant lands. They also regretted the growth of unauthorised colonies, mainly because of the failure to revise the Master Plan since 1975, and rigid rules for layout approval. They felt the need for a flexible Development Control Rule regime similar to Bombay. They also called for a conflict resolution machinery to resolve interagency disputes. They regretted the lack of any effective power with the Mayor to channel executive action in desirable directions.

The organogram of AMC and the distribution of various functions among different departments shows that the job of coordination appears to rest primarily with the Municipal Commissioner. The Deputy Commissioners also have been made supervisory officers for a number of heads of departments, instead of assisting in the interrelation of different services with the citizen as the focus. In the context of the resource crunch, individual departments compete for scarce funds, and the Master Plan does not provide an adequate platform for interdepartmental consultation.

Aurangabad has a total budget of Rs.7132.43 lakhs, composed of Rs.4600 lakhs of tax income (mainly from octroi and property taxes), about Rs.1471 lakhs of other income including capital receipts and Plan grants, Rs. 838 lakhs of income on the water supply and sewer budget. There is a budget deficit of about Rs.512 lakhs on the water supply budget.
The budgetary provisions also do not appear to be informed by the differential service levels in different wards, and the impact of application of funds at the ward and city level. The Budget as well as the investment plans presented to the Government are thus a string of projects without a binding perspective of the type envisaged in the recent IDSMT guidelines.

Service Levels

The road length is 437 km., with 96 km., of non-tarred roads. The condition of the roads is admitted to be extremely bad, and most of the road length requires resurfacing. In addition, it is necessary to construct 200 km of roads in the residential colonies on the outskirts. All this would cost Rs.60 crores. Large areas located on the outskirts of the town are without streetlights, and at least 4500 streetlights are to be provided, besides improved illumination on existing poles. Additional fire stations, vehicles and other support facilities are necessary to provide adequate cover against fire in all the areas. It is necessary to construct and start 15 more primary schools in the uncovered areas. Improved health cre calls for upgrading existing dispensaries, providing inpatient facilities, and starting outreach facilities. The Development Plan itself has been implemented to the extent of only 24% over the last 20 years of its existence, and only 42 out of the 176 sites reserved for various public purposes have been developed. At the same time, there are 51 declared slums and a number of unauthorised colonies with about 2.23 population, living without adequate services.

Water supply and sanitation facilities are deficient, and many areas an families are left uncovered. Out of 1400 places designated for garbage collection, 500 sites do not even have dustbins, and the garbage is dumped in the open. While it is necessary to have a fleet of 40 vehicles to lift the entire garbage from all the sites, but the AMC has only 22 vehicles, 10 of which are very old. There is no sanitary landfill system, but the garbage is dumped in trenches in the site about 10 km. from the city limits, in very unhygienic surroundings. The sewer lines laid 20 years ago need both rehabilitation and augmentation in capacity in order to carry additional sewage in existing and additional areas. it is required to lay additional sewer for part of the CIDCO area. There is no sewage treatment plant for 50% of the area, and the sewage is let out into the drains. the overflowing storm water drains cause flood problems during monsoon. It is necessary to train these drains and build flood protection walls. Water supply is not only inadequate, but the existing supply is not equitably distributed to various areas. The new localities on the outskirts of the town are yet to be provided with potable water, and depend on spot sources or private tankers.

Staff Issues

The sanctioned posts in the corporation are 3339, out of which 3169 have been filled up, and there are 601 daily wages posts. Out of the filled up posts, 11 posts are in Class I, 50 posts are in Class II, while the remaining posts are borne equally in class III and IV. This shows the very low proportion of supervisory posts. One-third of the establishment expenditure was on health (especially conservancy), and one-third on education staff (of which only 50% was reimbursed by the government). Authority appears to be centralised in the Corporation Office, with the field functionaries in health, engineering, public health engineering services, taxation etc., reporting hierarchically to the sectoral departmental supervisors.
Though the AMC has considerable autonomy in the appointment of its staff, and in taking officers on deputation, subject only to the stipulations of BPMC Act, and the recent ban on new posts, the level of staff skills is not adequate for the discharge of the present and newly emerging responsibilities.

The Deputy engineers posted in the Valuation department do not have any special training for the job, and there has been no effort to induct the Town Planning Department for that purpose, as has been done by the state government in the case of Municipal Councils. A revision of assessment is overdue, especially for new properties, change in use and ownership of assessed properties, and the inclusion of central and state government properties. The collection of property tax has been consistently less than 50%, and the recovery of water charges has also fallen in arrears due to problems of billing, litigation and consumer protests, lack of coercive procedures etc..

The accounts are audited every month by the Chief Auditor of the Corporation, but he regretted that no serious notice is taken of his objections. There is sample Accountant General audit, only for government grants.

The candidates for posts other than those requiring government approval are selected by an official committee, which also selects people for promotion. The approval of the Corporation is required for posts carrying a pay of more than Rs.500. Otherwise, the Municipal Commissioner is the final authority for performance appraisal of all Corporation employees. The payscales, pension and other remuneration is on par with the state government. The employees reported stagnation at different levels, which was partly addressed by stagnation increments. Disputes are taken sometimes to the labour courts.

**Steps for Decentralised Delivery**

No wardwise picture of deficiencies of services or estimates of investments are made available to the citizens in published reports, in contrast to the city level estimates for augmentation of water supply, distributional improvements, sewerage extension and treatment, road construction etc., Despite recent efforts to equalise water supply in different wards, the level of services in water supply, sanitation and garbage removal, road maintenance, percentage of functioning lights etc., varies across different wards. The problem is presented in terms of resource gap, insufficient government grants and delay in sanction of extra staff. However, there is lesser recognition of the need for improvements in budgeting, internal procedures, coordination mechanisms, decentralised delivery and delegation of powers, citizen interface etc., 7 zones have been created in the city with separate Zonal Officers, and they deal with assessment and collection of taxes, and with coordination of sanitary services. Consequent to the recent amendment to the BPMC Act. It was stated that most routine complaints of the citizens about services were dealt with at the zonal level. However, this was disputed by citizen
representatives, and they stated that most matters had to be taken up at the level of the Corporation head office, often with some influential intermediation, and the Corporators played a leading role in bringing problems to the notice of officials at different levels.

Though the state government had advocated the adoption by all municipal bodies of, what is popularly known as the Lakhina system of people friendly and efficient system of grievance redressal and attention to representations and permits, the AMC has not been following any systemised procedure for grievance redressal or timely disposal of requests for permits, services, water and sewer connections etc., There are no information booklets on rules and regulations in understandable local language, and the people have to rely on the Corporation staff or intermediaries for guidance.

The need for closer interaction with the administration for decentralised attention to local needs and problems has been institutionalised in the establishment of the Wards Committees. These have been set up ,corresponding to the existing zones, with assigned responsibility for the delivery of various civic services and management of community facilities, and authority to incur expenditure upto Rs.5 lakhs against the Budget provision. However, the Municipal Corporation is yet to apply itself to the need for systematic administrative and geographic decentralisation to assist the Wards Committees, and to enable prompt redressal of citizen demands and grievances at the zonal level.

Citizen Perceptions

The Press reports and citizen groups paint a picture of problems and needs:

- wholesale neglect of entire areas in the city;
- growing problems of slums and unauthorised colonies,
- unchecked encroachments, and the problem of vagrant cattle,
- inadequate access to affordable land and housing, and rising rents,
- inadequate and unreliable water supply,
- the poor level of sanitation and garbage removal, dumping of refuse and construction debris on vacant spaces, overflowing drains and the discharge of raw sewage in the natural drains, open manholes, and many dark streets,
- the special problems of residents in CIDCO area,
- the non-functioning traffic signals and blinkers for want of skilled staff and inadequate expenditure for procurement of supplies,
- pollution caused by distilleries and other units discharging hazardous wastes,
- narrow lanes, uncontrolled hawkers on the roadside, and poor road surfaces;
- dilatory procedures, and demand for speed money, for building permission and grant of various approvals;
- problems caused by lack of interagency coordination in utility operations, as seen from the frequent digging of roads and footpaths by different agencies, for laying new linces, or for maintenance, at great inconvenience to pedestrians and vehicles, not to mention the accelerated deterioration of the road surface; the problem being more acute during monsoon;

The success of Pune Corporation with local citizen committees and periodic official interface with these committees was explained away by AMC officials as peculiar to the Pune culture, and
not as something to be aimed at in the context of the 74th Amendment. The Rotary Club and other non-governmental bodies seem to be content with tokenist ventures rather than efforts to build up a city level interface with the administration. The resident associations in CIDCO colonies, or the residents of unauthorised colonies, appear to be more interested in projecting their local problems through political and other channels.

The Urban Community Development wing of the AMC, consisting of a Project Director and 4 community organisers, is the only unit that has established some interface with residents of slums through a variety of community facilities, assistance for microenterprises, shelter support etc., It is also in charge of the microenterprise component of the Nehru employment scheme, and runs a number of income generating activities for women. 19 out of the 51 slums in the city are covered by the UCD wing at present. The NGO interest in the programme was stated to be sporadic. A major problem was the reluctance of the Collector to grant consent for slum upgradation on public lands, and the apathy of the commercial banks in supporting economic activities of the poor.

Despite the enthusiasm of the Project Director, the UCD Wing's thrust is on isolated activities, and it is yet to work out steps for the convergence of services for the urban poor, as envisaged in the UBSP guidelines, or as attempted in Visakhapatnam. In fact, the Project Director was critical about the lack of support for the activities of the UCD within the Corporation, and the lack of response of engineering, health and other departments to the problems of the slum families as projected by the community organisers (thus leading to loss of credibility for the organisers among the people).

**Prospects of Privatisation**

The movement towards privatisation of services is also halting because of apprehended opposition of the unions of sanitary workers and other employees, although the contracted services in the CIDCO area are expected to be continued even after takeover of these services by AMC. The experiment with the contracting of octroi collection (advocated by the state government) is yet to be seriously taken up. There is some support to the Sulabh type pay and use latrines, and for the composting of garbage with private sector involvement, from the budget proposals for the current financial year. AMC has an advantage in using the CIDCO contracting of services, and the management of community facilities by private parties, as examples to be replicated at least in developed areas with higher civic awareness. The recent amendments provide AMC with legal backing for privatisation and for decentralised management of services.

Contracting of service delivery, as in the CIDCO area, will certainly reduce permanent staff expenditure and lead to more efficient services and higher productivity per unit of investment, given proper supervision and competitive bidding. However, if the full cost of services is not recovered, as in the CIDCO case, the problem of municipal deficits in individual services will remain. In the case of Aurangabad, a separate service budget is being presented only from the current financial year, as per government orders. But the Accounts wing has no firm figures of the cost of solid waste management, streetlighting, and other services, to enable a prescription of cost and technical specifications of tender and a scientific evaluation of the tenders for service provision.
Cost Recovery

The recovery of service costs and tax collection has not been adequately emphasised in the past, with the result that most citizens, and possibly the corporators as well, are opposed to strict measures for recovery of viable charges for water and sewerage, and for the scientific assessment of properties and full recovery of taxes. The demand for the regularisation of layouts is not seen as carrying a matching obligation to contribute to the provision of additional services in the area.

The financial position of the AMC, as may be gleaned from what has been stated above, is parlous, as admitted by the Collector and the Chief Auditor, even though the projections of capital expenditure for various schemes do not appear to be predicated on the mobilisation of additional revenue and larger recovery.

This is despite the availability of more buoyant sources of revenue such as octroi, as compared to Corporations in other states, and the potential of larger revenue from property taxes.

The property tax arrears including conservancy and water tax by the beginning of April 1995 were Rs.13.70 crores and the demand was Rs.6.59 crores; against this, the collection was only Rs.5.27 crores, and about 40% of the demand fixed by the Corporation and less than 30% of the realisable amount. The arrears on other taxes and service charges are Rs.3.82 crores, and the current demand was Rs.4.55 crores at the beginning of April 95; the recovery was about Rs.3.95 crores, or in effect, the arrears figure was not reduced. The recovery even of tax and cesses on behalf of government was only 25%. The Corporation is heavily in arrears to the MWSSB for bulk water, and to the MSEB for electricity charges, on account of the failure to revise the water charges to meet the full cost of supply and distribution. The deficit on the water supply account alone is about Rs.10.2 crores for 1994-95. It is not recovering enough from the conservancy tax to defray the cost of garbage collection and disposal, nor recouping the entire cost of water supply.

VISAKHAPATNAM (ANDHRA PRADESH)

The Background of Urban Economy

The Municipal Corporation covers an area of 111.60 sq.km. after the recent extension of limits, and serves a population of 8.22 lakhs as per the 1991 Census (and around 1 million at present).

Visakhapatnam is the second largest city in Andhra Pradesh, and one of the major industrial growth centres in the country in the second rung along with cities like Pune, Kochi and Coimbatore. A number of large public sector units are functioning in and around the city such as the Port Trust, the export processing zone, Hindustan Shipyard, Hindustan Petroleum Corporation refinery, Hindustan Zinc, the large steel plant and township under construction, the thermal power plant of National Thermal Power Corporation and the proposed satellite port. The public sector investment has stimulated, and is complemented by, a number of private units such as the palletisation plant, port based industries, petrochemical units, and the very large investments envisaged for oil refinery, power generation, and tourism development.

It is expected by the state government that huge investments in the range of Rs.20,000 crores may be expected in the next few years in the industrial areas planned by the state Industrial
Infrastructure Corporation and the industries themselves. The State Tourism Department is projecting a large inflow of tourists and matching tourist facilities, to capitalise on the coastal scenery of the Vizag area and nearby attractions. While the proposed capital intensive industries may not generate much demand for local employment, the growth of existing enterprises and new activities is expected to generate a higher growth of the urban agglomeration, and call for larger investments in water supply, sewerage, power supply, transport and communications, housing and community facilities within a coordinated framework of economic and spatial planning.

The Stresses

Such tremendous economic growth appears, however, to have aggravated the existing shortfall of various services and basic infrastructure, and the dangers of environmental degradation. Prominent among the constraints and problems, which could undermine the growth prospects and affect the quality of life of the people in the area, are:

- shortage of power generation and distribution;
- inadequate road network and severe congestion on roads leading to the Port and through the city,
- inadequate water supply, extension of sewerage and storm water drainage services,
- problem of disposal of domestic and industrial waste,
- unsustainable groundwater drawal, pollution of water courses and atmospheric pollution;
- rising prices of land and housing (especially for the lower income groups and industrial labour), and the
- unsatisfactory framework for overall regulation and speedy approvals.

The keen observers in the city refer to the weakening momentum of industrial starts and postponed large investments, and the growth of sickness in the existing industrial estates. The small units could not develop in the absence of nexus with the large industries, and because of the problems of power supply, finance and affordable landsites. The growth of fabricating units would be stunted once the steel plant is set up. The Port has recorded an impressive growth, but it has reached saturation capacity, and the waiting time for berths has increased. Air pollution from dusty port cargo will continue to increase till such cargo is shifted to the satellite port, even as such pollution from other industrial units is unabated. The carrying capacity of roads is outstretched, especially seen from the severe congestion on a number of main roads leading to the Port.

The effect on the quality of environment and the living standards of the people from the pollution of surface and groundwater from untreated sewage, industrial wastes, and the dumping of garbage is evident, apart from the problem of uncleared construction debris and refuse.

The shortage of functioning public toilets leads to open squatting. The nalas (drains) carry raw sewage, and the system of garbage disposal only breeds disease vectors. The water supply is inadequate, is characterised by leakages and unaccounted losses upto 25%, and is not equitably distributed in different parts of the city. About 15 to 20% of the areas, covering about 200,000 population, are yet to be provided with potable water due to their layouts being unapproved.
In 1985, there were 170 slums spread over 786 acres with about 37000 households. About 100 out of these slums were on public lands, while about 9000 households lived on road margins. 69% of the slum population belonged to Scheduled Classes and Tribes. The number of slums has further gone up to 249 notified slums since the survey. While 198 slums have been improved under the ODA assisted programme, there is as yet no decision over the grant of legal title to most of the improved slums and the recent slums. Meanwhile, the lower income groups cannot afford the existing supply of private apartments or public housing, and are forced to seek shelter in unauthorised peripheral layouts with deficient services. The city has a high cost of living as most of the essential articles have to be brought from outside. The income levels are low, and the youth and women lack specialised skills for employment in the industrial units.

**Urban Governance and Institutions**

The ability of the public agencies to tackle these problems will depend on the framework of governance. The responsibility for different urban tasks is distributed among a number of State and Central agencies, and the Municipal Corporation. As in the case of Aurangabad, the Visakhapatnam Municipal Corporation (VMC), which is constituted under the Hyderabad Municipal Corporations Act, is entrusted with comprehensive powers for various municipal functions including water supply, sewerage and sanitation, drainage, primary education, health care, roads and buildings, recreation, licensing and regulation, streetlighting etc. Unlike Aurangabad, however, the planning function is exercised by the Visakhapatnam Urban Development Authority (VUDA), constituted in 1978 under the A.P. Urban Areas Act, whose jurisdiction covers Vizag and four other Municipalities, and 287 rural settlements.

The capital works for water supply and sewerage are executed by the State Municipal and Public Health Engineering Department, although it can be executed by VMC also with Government approval. The streetlights are maintained by VMC with the help of P.State Electricity Board (APSEB) staff, but the installation works and power supply are with the Board. The A.P. Industrial Infrastructure Corporation (APIIC) undertakes the development of industrial estates within and outside the city, and has been vested with legal powers for the provision and maintenance of infrastructure within industrial areas, including the powers of the Local Authority. Housing schemes for different income groups are undertaken by the A.P.Housing Board, A.P. Urban Development and Housing Corporation (APUDHC)(mainly for lower income groups), and VUDA. The Vishakapatnam Port Trust takes care of the maintenance of all services inside the Port complex. The city transport is run by the State Transport Corporation (APSRTC), and the National Highway is maintained by the State P.W.D.

**City Budget**

The total budget receipts of Visakhapatnam for 1995-96 is Rs.8567.34 lakhs, composed of Rs.1025 lakhs of tax revenue, Rs.4302 lakhs of non-tax revenue, Rs.752.82 lakhs of assigned revenue, Rs.860 lakhs of government grants, Rs.169.17 lakhs of loans, and Rs.1456.50 lakhs of other receipts, deposits and advances. The principal elements of non-tax resources includes a capital contribution from government for water supply and bulk water charges for water supply from the Port Trust and others. The expenditure includes salaries for teaching staff and other employees; maintenance expenditure for public health, streetlighting and water supply; and works taken up with corporation funds and works with government grants and loans.
City Planning and Consequences for Shelter

The VUDA is constituted with jurisdiction over 1721 sq.km. with the objective of preparing the Master Plan and Zonal Development Plans for the orderly growth of the city, and to regulate and enforce development; to formulate and implement projects for housing and infrastructure, and to coordinate various developmental projects for the implementation of the Master Plan. It has prepared the Master Plan and Zonal Plans for all the municipal towns, and is in charge of their enforcement. It has taken up the revision of the Zonal Plan for Visakhapatnam. It is competent to approve all residential and industrial layouts, and recover development charges. VUDA has delegated to VMC the powers of sanctioning layouts with area less than 1000 sq.m., and constructions with two storeys and below. The betterment charges are collected by the VMC and VUDA at the stage of granting building permission. The developer is responsible for the provision of all internal services, and proportionate contribution for external water supply and electric connection.

Despite this planning framework, the record of planned development has been patchy, not the least because of the excessive involvement of VUDA with direct land development and construction and failure to discharge its role of adaptive planning. VUDA’s administrative report reveals that it has invested till the end of March 1995 over Rs.100 crores in Vishakhapatnam and outside on various housing and remunerative projects, non-remunerative schemes like parks and recreation complexes, transportation schemes, indoor stadium etc., The cost of the ongoing schemes for housing, remunerative and other projects is over Rs.24 crores. It has also taken up the development of satellite townships, and is entrusted with IDSMT schemes for two towns.

The schemes of VUDA do not appear to be related to the implementation of the Master Plan by multiyear investment and strategic plans based on the preparation of a regional investment plan of all the agencies operating in the urban agglomeration. Beyond identifying the areas for location of industries in the Master Plan, VUDA does not consciously interact with APIIC or the large investors in the area. Nor does the Authority seek to play the coordinating role.

It was found that, owing to the elitist standards in the Subdivision Regulations, and the problems of layout approval, the pace of formal construction had slowed down, the problems of construction and repair of houses by the poor were aggravated and a number of unauthorised layouts had come up. The unaffordable cost of shelter has led to the continuing growth of squatter settlements on vacant sites and peripheral areas. The superimposition of the Zonal plan over the earlier town planning schemes has led to some conflicts of interpretation of plans, adding to the general delay.

The Building Regulations, which have been prescribed for all municipal areas by the Government, have not been amended in line with the liberal regulations for EWS housing, cluster planning, lower plot sizes, high densities etc., as recommended by the Indian Standards Institute as part of the National Housing Policy. The initiation of housing schemes for the improved slums by the A.P.U.D.H.C. under the state Plan is not possible till the layouts can be approved under existing regulations, and till the land titles are granted by the Collector.

The Government has issued recent orders for the regularisation of unauthorised layouts outside the Municipal area if more than 50% construction is completed, and for the regularisation of violations from the sanctioned plan in the city limits. The penal amount collected for such
condonation by the Government is proposed to be passed on to the Municipal Corporations. The provisions of this order are sweeping and would permit the condonation of any kind of violation and even ab initio violations. Even then, the response to the amnesty is believed to be poor.

It is agreed by local officials that it is necessary to undertake a systematic review of the Master Plan reservations with reference to the slums and unauthorised colonies, and recast the reservations suitably on the lines attempted in Bombay, and further incorporate some of the innovative provisions of the Bombay Master Plan such as Accommodation Reservation, TDR etc., for participative implementation of the Plan. As the revised Zonal Plan is yet to be forwarded to the Government, an opportunity for such an exercise is available. The Building Regulations can then be amended in line with the revised National Building Code, and the procedures for approvals of plans for construction and repair of houses, and for layouts can be liberalised, with the involvement of architects and licensed surveyors. This can then be followed by a citywide shelter plan for different income groups with the involvement of public housing agencies, community groups, and private builders, with inputs from budgetary grants, community savings and institutional finance.

The question of coordinated approach by VUDA and the VMC for revisions of Master Plan and regulations brings up the question of greater statutory responsibility of the elected body for land use plans, in the context of the 74th Amendment. At present, the consultation of the VMC on the Zonal Plan appears to be perfunctory, according to the elected leaders, and the VMC is not impelled to suggest any innovative changes in plan approval or development of reservations.

**Future Roles of VUDA and VMC**

Given the importance of Visakhapatnam region, the region will have to be provided with a Metropolitan Planning Committee, and VUDA could be the planning arm for the Committee, as envisaged under the Constitution. VUDA would then have to shed much of its ambitions for housing and real estate development, and for the construction of facilities, and leave it to the Municipal bodies or the Housing Boards, or for joint ventures. The detailed guidelines for the Metropolitan Planning Committee should clearly delineate the roles of VUDA and the Municipal bodies. VUDA can assume the mandate of coordinated investment planning and agency supervision at the regional level, and also take up the preparation of an environment management plan for pollution abatement and sustainable exploitation of resources in a coastal environment, on the lines of the plan prepared for Dakshina Kannada.

The plan for industrial development by APIIIC and the plans of large industrial units, as well as the developments of the VPT and SAIL, have to be integrated into the regional plan, in terms of infrastructure provision, land use, transport corridors, power supply, regional level facilities, etc., VUDA can then leave the implementation of the Master Plan for Vizag in toto to the VMC with the help of reformed rules similar to Bombay. This will also enable the systematic incorporation of slums and unauthorised layouts into the planning frame, with the application of development charges and regularisation levies for providing amenities. As land acquisition is fraught with resistance from landowners, and is costly, the participative development of reservations and road widening shows a way out. The available town planning staff in VUDA and VMC can be suitably redeployed for this purpose.
One got the feeling that the VMC operates in its own sphere and does not fully appreciate the role of other departments in the visible problems like traffic congestion (the need for regional transport network to avoid movement of all extramunicipal cargo through the city, and the urgent need for a bypass road and truck terminal on the lines envisaged by the Port Trust), the problem of squatter settlements and unauthorised layouts (arising from the restrictive Master Plan and regulations, and the policy over land title), the discharge of hazardous industrial wastes and air pollution (the issue of shifting dusty cargo to another port, or the enforcement of environmental controls as part of industrial location).

Organisational Structure

Under the Hyderabad Municipal Corporations Act, the three Municipal Authorities are the Corporation, the Standing Committee and the Municipal Commissioner. Though the Mayor is elected directly for a period of five years along with the Councillors, he or she has not been provided with any executive powers. His authority is derived mainly from his political importance in the ruling party. Section 117 (3) of the Act states that, subject to approval, sanction and other conditions stipulated in the Act, the entire executive power for carrying out the provisions of the Act vests in the Commissioner. He has the ultimate responsibility for the coordination of different sectoral departments, and the supervision of 4641 employees. He also writes the ACR's of all the employees, and forwards those of the deputed employees, or those of the constituted services to the concerned heads of departments. He also initiates departmental enquiries, and action for dereliction of duty, although the power to award major punishments for Corporation employees rests with the Corporation.

The powers of the Standing Committee are on par with those in other Municipal Corporations in the case study states. However, in view of an amendment to the Act, the power of the Municipal Commissioner to conclude contracts has been raised to Rs.2 millions. This has been interpreted by the Commissioners of all the Corporations to include powers to incur expenditure and finalise tenders up to that amount. This has reduced the Standing Committees to the limited role of consideration of very few proposals from various departments. The interpretation of the higher powers of the Commissioners has been challenged by the Mayor of Vijayawada in the Court. This reflects the general agitation of the Mayors and municipal leadership for larger executive powers. In practice. There is general expectation of increased powers for the Mayor and Standing Committees in the near future.

Meanwhile, the successive Commissioners have functioned on the basis of harmonious relationship with the Mayor and the senior leaders in the Corporation, and have avoided confrontation on developmental issues. This has ensured support for the administrative proposals in the Standing Committee and the Corporation. The newly constituted Wards Committees, and their link to the exercise of power by the Standing Committee through the representation of the chairpersons of the Wards Committees in the Standing Committee, has ensured a greater role for the councillors in decentralised management of services. The non-transferability of the employees appointed by the Corporation has resulted in their informal but durable relationship with the Corporators. The latter complain about non-involvement in sanitation drives and civic schemes. This will hopefully change after the constitution of the Wards Committees composed of a number of corporators.
Decentralisation of Management

Despite the emphasis of the 74th Amendment and recent policies of the Central and state Governments, the provision of services is still substantially centralised. There is hardly any delegation of financial powers to the officials below the Commissioner. There are three assistant Commissioners for three circles, but this is mainly for revenue collection at present. The 50 ward offices are each staffed by a Sanitary inspector and an Assistant Engineer, but this does not represent geographical decentralisation. The complaints of the people are received at the ward level in the morning, and routine complaints are referred to Assistant Engineers or Sanitary Inspectors, but most of the complaints are sent to the Head office for being forwarded to concerned sections. The inadequate coordination of different departments for routine maintenance of sanitation and other services affects effective and prompt response.

Slum Upgrading Project and After

The general complaint of uncoordinated civic functioning is surprising, considering the success in the convergent provision of social and physical services in the ODA assisted slum upgradation project, with the active involvement of neighbourhood Committees and voluntary agencies and the assistance of the Urban Community Development (UCD) staff. The project activities cover:

Under Health Services, universal immunisation sanitation awareness and health education, family welfare, training for traditional birth attendants, community-based rehabilitation, health outreach services through primary health care centres and honorary medical practitioners etc.,

Under Socioeconomic and Education services, organising balwadi and non-formal education; vocational training and bank loans; library facilities; women's development; community participation in planning, implementation and sustenance of services and community facilities with community contribution; advocacy and energisation of state programmes like integrated child development projects and nutrition, mass literacy campaign, Nehru Rojgar Yojana, urban housing, epidemic control etc.,

Infrastructural facilities, through the provision in slums on a citywide basis, such as roads and pathways, drains, potable drinking water, community latrines and baths, community halls, open spaces and greening etc.,

The UCD project activities are proposed to be continued beyond the present project period with contribution from the VMC Budget, and community contribution for vocational training, salaries of teachers etc., It is also proposed to build the activities into the comprehensive urban poverty alleviation strategy of the state government with the aid of the special Fund already set up with earmarked outlays in the VMC Budget, and oblige the different sectoral agencies to converge their activities for addressing the needs of the urban poor throughout the city.

The project has definitely resulted in a greater community awareness and participation in civic affairs in the slums, especially women, as seen in the election of one of the NHRC chairpersons as a corporator. Many men are reported to have given up drinking liquor, with
better family amity and cash incomes. The women and youth have benefited from vocational training programmes, and the health programmes have been highly participative and fruitful.

The important missing element has been the failure to ensure security of tenure for all slum dwellers, followed by shelter assistance. The other failure at the higher management level has been the failure to extend the community responsive provision of services and convergent planning to the rest of the departments, or to orient the staff attitudes through interaction with UCD staff. Even the corporators look upon the ODA project more as a channel for large capital grants for infrastructure than as a model of community-led planning and provision of services. The political attitude has seriously undermined the sustainability of community facilities under the ODA project through community contributions.

Wards Committees

The constitution of the Wards Committees after the 74th Amendment, solely with councillors and no citizen elements, has denied the VMC the chance of integrating the neighbourhood committees with decentralised management and budgeting. The Corporation officials however expressed the hope that various departments can be represented at the ward level, and assist the Wards Committees in the supervision of routine services, and in the prompt attention to problems of the citizens and enterprises.

Administrative Structure and Recruitment

The Commissioner is a whole time officer appointed by the Government, usually from the Indian Administrative Service officers of appropriate rank, or by promotion from the grade of the Municipal Civil Service. He is liable to be removed from service according to the provisions of Section 104, either on the recommendation of the Corporation, or on account of negligence and misconduct. He is authorised to specify the duties of, and exercise supervision and control over the acts of, all the municipal employees other than the Municipal secretary and the Examiner of Accounts and their establishment. He can also empower, with the approval of the Standing Committee, other municipal officers to exercise certain powers. The exercise of such powers is subject to the availability of financial sanction in the Budget, except for the emergency provisions under Section 117. The Corporation has the right to call for papers and returns from the Commissioner subject to the provisions of section 121.

The Government exercises considerable control over the constitution of the Corporation services, the creation of posts, and appointment of staff. The establishment of the Corporation is composed of officers appointed by the Government, or with its approval, those belonging to the A.P. Municipal Corporation service, and the lower level staff including Class IV staff appointed by the Corporation. There is a post of Additional Municipal Commissioner, mainly for the ODA project, which is now vacant. The Government has appointed, City Engineer from the Municipal and PHE service, the Medical officer of Health from the Health Department, the Examiner of Accounts from the Directorate of Local Fund Audit, and the Municipal Secretary from the state Service. The approval of the Standing Committee and the Government is required for the creation of permanent or temporary posts upto Senior assistant(including even conservancy workers), while the sanction of the Corporation and the Government is required for posts upto Superintendent, and the approval of the Government for all other posts.
Having regard to the posts specified in the constituted services of PHE and Municipal Engineering, the Subordinate Engineering Services, Town Planning, Health services, and the Local Government service, the A.P. M.C. Service is categorised into the Ministerial Wing (including Accounts officers), Engineering Wing, Town Planning Wing, Public Health and Medical Wing, Education Wing, and Urban Community Development Project Wing. The Rules laid down the reservation of posts, qualifications, age, the tests to be passed, the manner of recruitment and promotion of staff in different categories and levels. The Government is the appointing authority. The selection for direct recruitment is done by a Committee under the Chairman of the Standing Committee, with the Commissioner, the Head of the Department, and a government representative. The Rules provide for the transfer of the members of the Service among different Corporations, but this has been stayed by a Court order.

The Recruitment Rules for the Corporation employees are however yet to be formulated, and till then, the APMCS Rules are followed. For the junior assistants, the Corporation holds a test, followed by interviews. The posts of the senior assistants and the posts in the accounts and revenue departments are interchangeable. There is no requirement of examinations or training for promotion to higher posts.

**Organisation and Control**

The organisation of VMC is composed of the UCD Project, horticulture, city planning, engineering, sports, public health, education, administration and Accounts, and Revenue. As in the case of other Corporations, the gazetted and the professional staff form a small proportion of the total staff:

Gazetted (73), Ministerial (174), Engineering (1090), Public health, including conservancy (1698), Audit (4), Town Planning (57), Lighting staff (68), Horticulture staff (21), teaching (639), UCD staff (142), class IV employees (126), daily wages and others (549).

The UCD Project wing is like a matrix unit for the ODA project, with its own engineering staff for slum improvement, project officers, community organisers, accounts and administration. The engineering wing under a Chief Engineer handles all public works including roads and buildings, water supply and sewerage, and electric supply. The Chief Medical officer of health has separate divisions for conservancy and sanitation, a Biologist, veterinary services, and dispensaries. The nursing staff and health visitors also look after UCD activities. The collection of property tax and other revenues is under a Deputy Commissioner, who supervises the revenue officers, and tax inspectors. There are separate and temporary employees for the newly merged areas. The Deputy Education officer supervises the functioning of schools.

The Commissioner and the Mayor referred to large number of vacancies, especially 100 conservancy workers and 97 teaching staff on account of delay in government approval. At the same time, as against the shortage in certain essential categories, like the stenographers, linesmen, electricians, plumbers etc., for the maintenance of services, for which government approval sanction is not forthcoming, the Corporation is faced with the problem of excess unwanted staff in lower levels due to the generosity of previous elected bodies, such as the 430 NMR engineering staff. The unskilled maintenance and mustering staff in engineering could not be usefully employed in any position.

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The Rules prescribe the competent authorities for the imposition of various penalties and for disciplinary control. As the chief executive, the Commissioner initiates disciplinary proceedings under the relevant state Service and Conduct Rules. The Corporation employees are governed by the provisions of Section 137 and 141. The major penalties can only be imposed by the appointing authority specified in the Rules, and the Government for employees appointed by it. The Commissioner can impose the minor penalty of censure, withholding of increments or promotion for employees appointed by the Corporation or Standing committee. As the Corporations are declared as industries within the meaning of the Industrial Disputes Act, the disputes in respect of punishments are also taken by the Corporation employees to the Labour Courts, against orders of the executing authorities.

The performance appraisal is based solely on the (ACR's) Annual Confidential Reports for the Gazetted staff, there being no ACR's for the non-gazetted staff upto the Superintendent. The ACR's for the officers belonging to the constituted services of the state government go for review, after the report by the Commissioner, to the heads of department. As regards the Corporation employees, so long as an employee is not held guilty of major misconduct, he or she can be promoted on the basis of seniority up to the Gazetted stage, and thereafter, on the basis of seniority and the ACR's.

**Staff Skills**

Apart from the problem of shortage in critical lower posts juxtaposed with excess staffing of unwanted categories, there was the problem of occupation of senior technical position by persons without adequate skills for the job, created by the present promotion system and categorisation under recruitment rules. The present Accounts Officer is reported to be totally ill equipped for the job of accounting and budgeting, and consequently, the preparation of Budget for 1995-96 was affected, not to speak of the recurring problems of accounts maintenance and monitoring. There is no special requirement of skills for the Assessment inspectors and Revenue Officers as well despite the importance of this job, especially under the recently promulgated rules for valuation. There is very little use of office equipment and staff skills in the use of computers and similar equipment in most of the sections, except for MIS units in the UCD and the unit for the generation of monthly accounts.

The employees in the town planning, engineering and health wings are qualified in the tenets of the profession, but not much opportunity is available for updating their skills, or getting attuned to the modern requirements of administration, or of enabling government, or the special needs of the public. There is little in service training, or exposure to outside training except for occasional participation in external training programmes such as those organised by the Regional Centre for Environmental and Training Studies. The engineering staff with public health orientation have often to deal with construction of roads and buildings, and vice versa, and the financial aspects are not stressed either in engineering operations or in the accounts wing. The Health Department is not organised on the lines of a Conservancy engineering department on the lines of Ahmedabad for total approach to solid waste management. The community development staff is however well trained and motivated to discharge the tasks, thanks to the manner of their recruitment, specialised training, and skill upgradation under the ODA project.

The ability of the Municipal Commissioner and the senior officials to ensure effective supervision and undertake long range planning is adversely affected by the limited tenure, and
their preoccupation with various duties entrusted to them on agency or individual basis, such as campaigns of various types, election work etc.,

**Training and Manpower Development**

The VMC does not have a training plan for its employees at various levels. There is no provision for in service training after induction into service, and the lower level Corporation drift into higher positions, with little skill preparation for posts requiring specialised skills like assessment of properties, accounting, revenue collection etc., The engineering and health staff also reported only occasional opportunities for technical updating of skills, or for training in new areas, and very little exposure to the financial aspects of their operations. Even the D.C. (Revenue) posted from the Municipal commissioner service was not trained for the specialised requirements of the job. The RCEUS, the training centre in Hyderabad, is not equipped to function as an exclusive training source for VMC staff.

The UCD Project staff have the benefit of specialised training, study visits, workshops etc., for various categories of staff including the engineering staff, but they do not enter the mainstream of Corporation administration except for the engineers. The UBSP training plan does not cover the training needs of VMC for urban poverty alleviation, although the resource persons under this programme can help in the graduation of the training activities of UCD for the provision of vocational skills and shelter assistance support for the entire urban poor in the city. At present, the NRY training grants do not reach the UCD wing of the Corporation, as they are channelled through the District Rural Development Agency. The Collector agreed to review the situation in order to support the training initiatives of UCD, and larger programme of training for the poor families outside the slum areas, identified under the comprehensive survey undertaken recently.

**Citizen Views**

The public complaints regarding provision of VMC's civic services relate mainly to growing encroachments, inadequate water supply, large numbers of uncovered households with potable water, uncollected garbage often dumped on the drains and roads, overflowing drains, stagnant water during rains, dumping of construction debris, a number of narrow lanes, and poor road maintenance. There is also a serious shortage of affordable housing, and non-availability of houses for the floating population for renting. These are highlighted in the local Press and are also the target of periodic sanitation drives ordered by the Government.

These complaints were voiced also by the public and private sector organisations in the city, as well as the Vice-Chancellor of the Andhra University. There is a civic forum under the chairmanship of the Vice Chairman of the Port Trust which is attempting to project the environmental issues and bring together different parties concerned with environmental degradation of the city. The Port Trust has also sponsored a detailed study by the University on environmental preservation. the prominent citizens feel the need for a Citizens Organisation like a Vizag First on the model of Bombay and Pune, and the need to set up a Civic Fund with the cooperation of the public and private corporate sector, and with intellectual input from the local research and academic organisations. It was found that there were no city level voluntary agencies who were interested in pursuing civic issues, and the NGO effort was limited to projects
for health care, non-formal education, community-based rehabilitation etc., under the ODA Slum improvement Project.

**Infrastructure Management and Extent of Privatisation**

The provisions of the Act governing VMC permit the discharge of the functions of water supply and sewerage by the Municipal body directly, or through other agencies. However, the Corporation is expected to provide garbage removal services directly. Contracting of municipal services has not become widespread in Visakhapatnam, as it has in some other cities, but the advantages of contracting services is recognised by both the officials and the elected leaders. No economic evaluation of the contracting of services is available, because of the infirmities of cost accounting of services. The scope for involving resident associations in the collection of garbage is also being experimented, though, here again, it is not as widespread as in Hyderabad. The prospects of BOT arrangements for the provision of water for the new industrial areas adjoining the city are also being explored. At the other end of the spectrum, the UCD project provides very encouraging examples of community participation in the management of neighbourhood services and community facilities, and for community contracts for implementation.

As regards water supply, the entire available water supply has not been drawn from available raw water source of 42 mgd., It is hoped to draw the remaining 10 mgd in a month's time, and supply 50% out of this to industries. The supply is not uniform in all the areas. The supply is reduced on account of fluctuations in power supply. 56% of the supply is through private taps, 15% from standposts, and the rest is through private wells, borewells, and tankers. The per capita norm is only 61% of the recommended norm. The duration of public water supply is 1 to 2 hours. Different localities are provided water at different times, and the people have to adjust their routines to draw water from the tap. They also have to supplement the tap water from shallow pumps or unprotected water sources, involving not only extra expenditure but the risk of disease. About 17% of the population resort to exclusively private water sources.

It is estimated that about 20% of the households purchased water from the vendors (most of the vendors would have drawn water from public and private sources), and the proportion of such purchase was larger for the lower income groups. The vendors charge mainly for transport of water at the rate of about one rupee per bucket of 15 to 20 litres. The average monthly direct payment for water is Rs.6, or 2 to 3% of income. What is more important, the private investments on a borewell and motors is of the order of Rs.6000 to 16,000, and a monthly energy bill of Rs.30. The overall private expenditure on water supply, to compensate for deficient municipal supplies could be greater than the total municipal budget for water.

It was not satisfactorily explained why distributional improvements were not made earlier in order to provide potable water to the uncovered 20% of the city's population, and why greater emphasis was given to larger water supply to industries. It has been financially attractive for the VMC to subsidise low tariffs from domestic water connections through higher rates for industries. One reason advanced for the uncovered areas was that the layouts containing some of the uncovered households were not approved. It is proposed to provide 10,000 connections to uncovered areas. However, it involves a deposit of Rs.4000 to 6000 per connection plus labour charges and materials, and it is possible that some of the poorer families may not be able to afford this, in the absence of deferred payment facility. The ODA assisted project for water supply improvements will benefit the low income areas.
It is necessary to finalise plans quickly for distributional improvements and reservoirs for extending adequate water to all the areas, for maintenance of water supply arrangements in the slums, for the substitution of recycled water for potable water supplied to industries, and for augmentation of raw water supply by another 10 mgd. It is also necessary to control also the exploitation of groundwater by industries and commercial units, as the level of groundwater is going down, through the inclusion of legal provisions in the Municipal Act similar to those for Madras. No firm estimates of unaccounted for loss of water and leakages are available, but the VMC officials assess it at 20%. There is recognition of the need also for relaying some of the water supply lines close to the natural drains to avoid their contamination by the raw sewage and sullage plus the leached underground wastes.

The position regarding sewerage is serious from the point of view of environmental and health hazards, the pollution of coastal belt, and the lack of coordinated approach to industrial and domestic wastes. The city is practically unsewered, with only four wards having the facility. However, no charges have been levied for sewer connections. A sewage treatment is plant now under construction. Untreated sewage is mostly discharged, along with some of the garbage into the drains, and thereafter into the Port area along with industrial wastes. This is aggravated by the practice of open squatting due to insufficient public toilets and the poor maintenance of the public latrines under municipal maintenance. Public toilets have not been provided in all the improved slums under the ODA project. The implementation of the present sewer project for another 3.17 lakh population will still lead to a coverage of only 32%. The complete coverage of the entire city is projected to cost over Rs.100 crores. This is exclusive of steps to ensure safe disposal of industrial hazardous wastes.

Certain innovative steps for low cost treatment and reuse of sewage effluent are possible, benefiting from the example of the Port Trust. The VPT has constructed a 10 million litre sewage treatment plant for aerated treatment of sewage, and reuse of the treated effluent for dousing the dusty cargo and green belt. It is possible to evolve decentralised solutions to sewage and waste treatment and reduce the cost of conveyance, energy charges etc.

**Solid Waste Management**

As regards **solid waste management**, the problem consists of inadequate arrangements and facilities for the collection of domestic waste and street sweepings, lack of control over the dumping of construction debris, commercial and harmful hospital waste, lack of transport capacity for the transport of all the refuse in the dustbins to the dumping yards, insanitary disposal of garbage, low productivity of municipal workers etc. This is despite the fact that most of the large industrial units and the Port Trust make their own arrangements for the collection and disposal of waste. Not all the municipal areas are covered on a daily basis, and some areas are covered only once a week. 37% of the households covered by a municipal survey reported no collection on any day, while 20% reported once weekly collection and 36% reported irregular collection. The problem is acute in respect of the newly merged areas in the VMC, and the congested inner city areas.

This unsatisfactory performance was despite a staff deployment of nearly 1700 workers and supervisors, the high expenditure on conservancy of nearly Rs.69 millions in 1995-96, or about 25% of the total revenue expenditure, or a per capita expenditure of Rs.80. Against this, the sanitation cess yielded only Rs.63 lakhs. This emphasises the importance of maximising the
quality of performance from the largely unrecouped municipal expenditure. Meanwhile, even out of the accumulated garbage, only about 64% is carried to the dumping yard, and there is no arrangement for sanitary landfill. While the waste from public hospitals are incinerated, there is no control over the dumping of harmful hospital wastes in the collection points.

The handling of different elements of waste management by different departments complicates coordination. The street drains are cleaned by conservancy workers, while the nalas, where garbage is often dumped by the people and the sanitary workers, is cleaned by the engineering workers. The desiltation of the nalas and the control of disposal of construction debris is also an engineering responsibility, and failure to do this effectively results each year in flooding of streets and traffic snarls. The engineering department is responsible for the repair and efficient outturn of the conservancy vehicles, and their low productivity in this regard affects the low level of garbage removal. The plague scare in 1994 has underscored the need for an integrated strategy for the collection and disposal of all types of wastes, and integrated approach to the planning and execution of works for water supply, sewers, drainage, latrine construction, and solid wastes, but this is not still apparent in the VMC.

In the view of the Mayor and the Health Officer, the poor collection of garbage and its transport was due to inadequate staff and the lack of approval for the purchase of new tipper and ploclainer. It is stated that there are no workers to operate the vans purchased for removing the garbage from slums, markets etc., in the light of the government ban on employing new workers. In the absence of vehicles to carry garbage to the new dumping yard situated at a distance of 14 km. from the city centre, the garbage accumulates in the temporary dumping yard in Adibhatlanagar, and creates inconvenience and health hazard to the residents.

The low productivity is not just a function of inadequate staff (as against the norm of 2.8 workers per 1000 population, the ratio in Vizag works out to about 1.6 in 1991), for the efficiency depends much more on worker deployment, areal workload, implements provided, nature of waste generated etc., It is also necessary to look into worker motivation, the tools and handcarts provided, opportunity for acquiring other skills etc., The orientation of the municipal unions and the extent of their politicisation is also critical to improvements in the system, as seen in the case of Bombay.

**Decentralisation and City Services**

The VMC is hopeful of greater decentralised attention to sanitation and waste removal because of the constitution of the Wards Committees. It is thinking in terms of involving resident welfare associations in the household collection of garbage and depositing them through ragpickers in assigned points, as has been done in Hyderabad; energising the slum neighbourhood committees for the supervision of waste collection and their transport by wheelbarrows to municipal dustbins; contracting out garbage removal and even street sweeping to private operators, and to start with this experiment in the extended areas; hygienic desposal of waste by microbe treatment and composting; pilot experiments for palletisation of garbage. These initiatives need to be pursued. The Mayor is not however hopeful of widespread contracting of garbage removal services, because of the likely opposition of the sanitary staff. As pointed out earlier, the municipal Act would need to be amended to permit the entrustment of this compulsory function to private parties, in the light of a number of Court judgments.
The Government had recently directed all Municipal bodies to undertake intensive sanitation drives, and to adopt scientific methods for the collection of garbage and their disposal.

**Future Prospects**

Unlike the megacities on the one hand, and the small and medium town on the other, the cities like Visakhapatnam in the 5 to 10 lakhs are not benefited by direct interest and involvement of the central government and its agencies, and have to rely on external support only from the state government. Most of them are also not beneficiaries of external aid and consultancy. In the case of A.P., it is not clear if the proposed statewide urban poverty alleviation project will cover technical support to Visakhapatnam (Vizag) also, or whether the training efforts under the UBSP and other central schemes will cover Vizag also. The Corporations of Aurangabad, Visakhapatnam and Mangalore may have to reach inwards for capacity building, much more than cities with the benefit of project-based support.

**BANGALORE AND MANGALORE: KARNATAKA**

**The Economy and Urban Policy**

Karnataka is a highly urbanised state, with 13.85 million or 30.91% of its population living in towns and cities, and 4th rank among the major states, after Maharashtra, Gujarat and Tamil Nadu. However, the growth rate for 1981-91 was lower than the national average. The 1991 Census has designated 22 urban agglomerations and 232 towns, including one metropolitan city and 20 cities with a population exceeding one lakh. The Class I cities contain nearly two-thirds of the urban population, with Bangalore itself accounting for about 30% of the urban population, or 46% of the Class I population. Bangalore was one of the fastest growing metropolises over 1971-81, but its growth steadied at about 40% in the next decade, or about the same as Mangalore. Bangalore has a population of 41.30 lakhs (or the fifth in the metropolitan tier), and Mangalore has 4.26 lakhs in the middle order (63rd in the population order).

The contribution of the urban sector was estimated at 52% of the Net state domestic product in 1992-93. There are pockets of high industrial growth in few areas like Bangalore, Mysore, Mangalore, Belgaum and Dharwad. Bangalore region accounts for 389 out of the 700 plus medium and large industries in Karnataka, one-third of the state’s investment and employment in small scale industries and 25% of the share of enterprises in the services sector. The disparities in infrastructure development are reflected in the index for the Bangalore region being three times higher than that for the second ranked Dakshina Kannada (Mangalore) district.

The objective of the urban development policy over 1992-97 was stated to be:

- to contain the rate of growth of metropolitan and other large cities, by dispersing economic activities;
- to provide minimum level of services to the urban population; and
- to create effective linkages between rural and urban areas. the state industrial policy identifies a number of further urban centres for targeted industrial investment.

The importance of coordinated involvement of all the development agencies is recognised. However, the objective of attracting Indian and foreign investment in competition with other
states in the context of liberalisation, has led to a conflict with decentralisation and physical planning policies, as market forces push towards concentration of investments and demand for services in Bangalore.

**Structure of Urban Government**

The responsibility for urban administration and infrastructure is divided between the Municipal Corporations/other Municipal bodies, urban development authorities, the Karnataka Water Supply and sewerage Board (KWSSB), the state agencies like the State PWD, Karnataka State Transport Corporation, State Electricity Board (KEB), and the Industrial Area Development Board (KIADB), with the Department of Town Planning and the Directorate of Municipal Administration provides the support functions. The water supply and sewerage services in Bangalore agglomeration alone are provided by a separate Board BWSSB. The overall coordination and policy support is the responsibility, at the secretariat level, of the Urban Development Department (including the Municipal Administration wing) under the charge of two Secretaries to Government. The organisation chart of the Department of Urban Development Department, and the different functional/local agencies are given in Appendices IV to VII.

The Town Planning Department is in charge of the planning activities in the entire state except Bangalore (which is the charge of the Bangalore Development Authority). The state Town and Country Planning Act applies to designated areas only, and the rest of the areas have the benefit of only an indicative plan. The Act is extended to 26 urban areas, out of which 20 are covered by urban development authorities (including Mangalore), and others by planning authorities. The UDA's are created under the Karnataka Urban development Authorities Act, 1987. The BDA is constituted under a separate Act, but is also a Planning Authority under the Town and Country Planning Act. The Department is guided by a high-powered Board under the Minister, and this Board decides on the extension of the Town Planning Act to new areas.

There is also a state level Committee for Environmental Planning and Coordination, with the Chief Minister as the Chairman, with the responsibility for environmental awareness and education, and evolving policies and programmes to protect the environment in vulnerable areas in and around urban areas. there is an Environment Cell in the Town Planning department. There is also an Airfield Environment management Committee for Bangalore and Mangalore to prevent hazards to air traffic from slums, unauthorised butchery, waste dumping etc.

Town planning is outside the purview of the municipal body, and the latter is in charge of only approval of building plans in the designated planning areas. Land use planning proceeds by a two stage process for Outline Development Plan and a Comprehensive Development Plan. The UDA's are in charge of implementing the land use plan, layout approvals, acquisition and development of land, house construction etc., They are staffed by senior technical officers and other staff, and are headed by nominated politicians or officials. DSMT is however the direct responsibility of the Town Planning Department, but this is proposed to be transferred to the DMA. The delays and rigidities associated with the present town planning system, and its failure to tackle peripheral development, is recognised by senior officials. It is proposed to amend the law comprehensively in the light of a comparative study of other state laws.

There are seven Municipal Corporations in the state including bangalore and Mangalore, constituted under the Karnataka Municipal Corporations Act, described in the previous Chapter.
They are structured on the strong municipal Commissioner pattern, despite the powers for sanction of estimates and contracts with the Standing Committees, and the Mayor's powers to call for reports and papers. At present, the Corporations are under supersession, pending the holding of elections under the amended Act in January 1996, and are under the control of officials functioning as Administrators. Their functions are on the lines of other states, except for their exclusion from urban planning, (the provision of water supply and sewerage is with a separate Board in Bangalore). The Government has no immediate intention of disbanding the UDA's and entrusting urban planning to the municipal bodies despite the latter's mandate for economic and social planning under the Constitution.

The Bangalore Metropolitan Region development Authority Act, 1985, provides for the planning, coordinating and supervising the orderly and proper development of the region, through preparation and enforcement of a structure plan, and coordination of the activities of the regional agencies.

The Karnataka Slum Areas (Improvement and Clearance Act) provides for the improvement and clearance of designated slum areas in the state.

The Karnataka Housing Board Act provides for the establishment of the Housing Board for land development and house construction in urban and rural areas, including channelling of funds to other agencies. The Board's operations are not as comprehensive as those of its counterpart in Maharashtra.

Area development is undertaken also by the KAIDB and a number of regional resource development agencies.

In terms of influence on development, three other Acts which have a bearing, other than the town planning legislations, are the Central urban Land (Ceiling and Regulation) Act (which provides for the takeover of surplus vacant land, and regulates the use of urban vacant land in designated urban agglomerations), the Karnataka Land Revenue Act (which deals with alienation of agricultural land for non-agricultural purposes), and the Karnataka Land reforms Act (which restricts the transfer of land to agriculturists, subject to relaxations by the government).

The KWSSB was set up in 1975 to execute water supply and sewerage schemes in urban areas other than Bangalore. The Board undertakes investigations and design of schemes for the urban local bodies, and executes such schemes with the help of finance secured from the government and financial institutions like the LIC and HUDCO. The overall urban water supply in the state is not adequate, with as many as 143 towns having a supply of less than 70 lpcd. The Board is managed by an appointed Board of Directors, and has its own cadre of technical and administrative staff, combined with staff drawn from other departments. It is primarily expected to make over the completed works to the local bodies after completion as per the recent orders, except where agreement is reached between the Board and the municipality on the maintenance of bulk water supply by the Board.

At present, the Board is maintaining the system and collecting water rates in seven towns; it is in charge of only bulk water supply, subject to recovery of retail water charges by the municipal body, in 7 cases including Mangalore; it is obliged to maintain 13 water supply schemes without any revenue collection because of the resistance of the local bodies to taking
over the works. It is maintaining works on deposit basis in 11 towns. It maintains three underground sewer works.

The Board is incurring huge losses on account of the non-repayment of the loan instalments by the local bodies, on whose behalf the Board took the loan, and on account of the non-payment of bulk water charges and deposit work charges by the local bodies. The tariff has been uniformly revised from 1st July 1995, and this would have enabled the Board to recoup at least the O&M cost of water supply, but this order has not been implemented.

The Board is beset with inefficiencies in contracting and execution, cost escalation, centralised decisions and inadequate delegation of powers, lack of work prioritisation of works and thin resource spread over ongoing schemes, and, most of all, serious cashflow problems. The estimates of receipt of funds was often very much underrealised, owing to poor recovery and lower than estimated loan releases by the government and financial institutions. In Mangalore, the Municipal Corporation was critical of inadequate consultation by the Board in the design of schemes, and slow execution of schemes due to inadequate funds with the local circle of the Board.

New Initiatives

The Government of India and HUDCO have been encouraging the state governments to set up state level financial intermediaries for mobilising resources for urban infrastructure from different sources, and channelling them to the municipal and urban agencies, and help to instal canons of fiscal discipline, cost recovery and organisational improvement. This has been advocated in the guidelines of IDSMT and Mega cities also.

The Karnataka Government has set up the Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC)in August 1993 under the Companies Act, in order to provide infrastructure in urban areas of the state, mobilisation of funds from different sources, and to implement and monitor the projects. It has a high powered Board under the chairmanship of the Chief Minister, and an equity support of over Rs.7 crores from the Government and the Town Planning Board. It is prepared to form joint ventures with the financial institutions, and operate projects on the BOT basis. It has proposed to concentrate on projects in the sectors of water supply and sanitation, traffic and transport, markets and marketing facilities, and general facilities.

However, the Corporation has not been functioning by design as per its stated mandate; instead, the state government has utilised the organisation to implement the Bangalore megacities project and the ADB infrastructure project. It is not equipped to handle even these projects, without even a fulltime chief executive, and the ADB project envisages strengthening of the Corporation for that purpose. Meanwhile, the formulation and monitoring of the IDSMT and infrastructure projects continues to be the responsibility, on a scattered basis, of the DMA (for low cost sanitation and routing Plan grants for ad hoc schemes), the Town Planning Department (for IDSMT), and the sectoral agencies. KUIDFC has not also geared itself for resource mobilisation from market sources.

The larger political issue is the division of responsibility for housing and urban development, and divided ministerial control over various sectoral organisations, in the Secretariat, among six
Ministers including the Chief Minister, and the implications for the provision of focussed political direction to state and municipal agencies.

**Institutional issues for Physical Planning**

There are many institutional issues relating to the planning process, all of which are symptomatic of the situation in large urban agglomerations in India.

a) Considerable power to approve development of land rests with the Revenue Department under the Deputy Commissioner, in terms of conversion order and alienation of land to the non-agriculturists under the Land legislations, as well as for the issue of certificates by the Competent Authority under the urban Land Ceiling Act.

b) Planning powers are weak outside the local planning area (including Mangalore and Bangalore). Despite recent orders, the village panchayats (elected local bodies) do not always seek permission from the town planning department or the UDA before approving layouts or new constructions.

c) There is little coordination between the agencies that approve development, and those charged with responsibility for infrastructure, with the result that approved layouts are not incorporated in planning for future services, and can remain unserved for many years. The funds collected from the development charges are not often passed on to the agencies that are to provide the services, such as has happened in Mangalore. Infrastructure is provided after the event, and is rarely planned to follow cost effective alignment or innovative decentralised technology of the type pursued in the PROSANEAR in Mexico.

d) Enforcement action is rarely taken, despite the availability of powers under existing laws. The Karnataka Regularisation of Unauthorised Construction in Urban Areas Act(along with recent amendments) might be taken as a signal that unauthorised development will be condoned over a period for a fee. The action for actual regularisation in response to applications has been tardy and this creates uncertainty for infrastructure provision and maintenance, even as the revenues do not come in; The regularisation or development charges in any case do not fully recoup the actual infrastructure costs, as pointed out by officials of municipal and infrastructure agencies.

e) Speculative land subdivision, with partial servicing, is common on the periphery of Bangalore, Mangalore and other towns. The erosion of the green belt is accepted with resignation and leads only to pushing it further outwards. There are large tracts of unserviced land outside the urban core, which are old to individuals, but remain unserviced for long (Bangalore is estimated to have 150000 to 200000 such plots). Residential subdivisions do not meet local housing demand, as the sites are unaffordable to many, even as the speculative buyers block house construction by other genuine high income builders.

f) The UDA’s also experience problems of land acquisition because of their reliance on the Revenue Department (except for the BDA which can undertake negotiated purchase). The process is beset by delays and court orders, enhanced compensation by Courts etc... There is a conflict between the development and planning roles of the UDA, in that they themselves buy cheaper land on the periphery for development,
and erode the green belt. There are delays in service provision and the charges recovered from the private developers are often inadequate to meet full costs. The UDA's neglect their basic planning and coordinating role, and lack of support from local elected element.

g) Several approvals are required to be obtained prior to the development of land or large construction. Due to the time and hassle involved in such permissions, often involving several trips to different agencies, (including the element of speed money), unauthorised developments are seen as the easier recourse.

It may be useful to simplify the process of approval, making many small developments and construction automatic or sanctioned on the authority of the architect, and waive the approval from the Revenue Department for sanctioned uses under the ODP/CDP; the government has already enhanced the exemption for the use of agricultural land for non-agricultural uses from 2 to 10 units (34 acres of dry land) for housing, and 20 units for industrial purposes, subject to the provisions of Urban Land Ceiling Act.

After the 74th Amendment

After the promulgation of the 74th Amendment, the state Legislature has made a number of conforming amendments to the legislation concerning the Municipal Corporations and Municipalities. Along with the constitution of the Metropolitan Planning Committee (MPC), the BMRDA will stand abolished and get absorbed in the MPC long with its assets and staff. (This is now proposed to be reviewed in order to retain BMRDA for the area outside the MPC jurisdiction, which will be coterminous with the BDA area, and to designate BDA to service the MPC.)

The 12th Schedule has led to the addition of vital statistics and the regulation of tanneries to the obligatory functions of the Corporation; but the functions of slum improvement, urban forestry and protection of the environment, urban poverty alleviation, and promotion of cultural and aesthetic aspects, find a new mention in the discretionary functions. However, urban planning has been kept outside the Corporation list, and nor have the related functions in the 12th Schedule been given to the Corporations.

The state government has yet to address consequential amendments to other urban and land related legislations consequent to the Amendment. Nor have they taken advantage of this opportunity to work out a rational allocation of essential and agency functions to the municipal bodies, and to delineate the role of the parastatals.

In the context of the statewide issues described above, the city-level situation can be better understood.

BANGALORE

The Economy and the City

Bangalore is among the fastest growing large cities of India, and has benefited much from economic liberalisation. In a survey of corporate and individual investors undertaken by a leading Indian Business Magazine, the city was voted the most favoured location for business and industrial investment because of various plus factors. It is a cosmopolitan confluence of
software and precision engineering works, with a concentration of large public and private sector units, and is among the most favoured places for industrial investment in the country. There are 104 industrial estates, 60 industrial areas, electronics park, and software technology skills, with high quality manpower, greenery and a good climate. There are a number of good research institutions. At the same time, the city faces serious problems of power shortage, high growth of office rents, increasing congestion of vehicles on a creaking transport network, shortage of parking spaces, very high pollution levels, high cost of education, increasing real estate prices, growth of slums and unauthorised development, the vanishing greens under the onslaught of concrete structures, and the rising tide of migrants. The motor vehicle population has climbed to over 6.54 lakhs, and causing severe auto pollution. The garbage collection is tardy and does not cover many areas, even as the drains get choked in many places. The problems are especially severe for the slums, the extension areas, and the unauthorised colonies.

The Bangalore urban agglomeration consists of the Municipal Corporation area, with a population of 2.65 million, and several areas under the Bangalore Development Authority. The metropolitan area comprises of the conurbation area of 439 sq. km. and the green belt of 839 sq. km. The entire metropolitan area is covered by a comprehensive development plan, being enforced by the BDA. The green belt has not served as a barrier to development, but has in practice been engulfed by unauthorised development, especially along the highways, and adjacent to built-up areas. This has affected the proper planning of infrastructure like water supply and sewerage, roads and communications, open spaces and civic amenities, and has seriously affected orderly future expansion, especially when it is difficult to acquire lands under the BDA Act. The municipal limits have been recently extended to cover most of the developed areas including the public sector townships, while some of the outgrowths have been constituted as municipal councils. However, this has only added to the problems of orderly extension of services.

The Urban Organisational Structure

The responsibility for urban services are divided between a number of agencies, and the BMC is not in total control as in the case of the Maharashtra Corporations. Water supply and sewerage are with the BWSSB, and the Corporation has to get its own works executed by the Board, and has to contribute towards the public taps. It has to defer to the BDA for all planning decisions, even though it can approve private layouts. It is dependent on the KEB for the maintenance of streetlights. The responsibility for slum improvement is divided among the BCC, BDA, and the KSCB. The BCC's finances and organisation will come under further strain with the addition of new areas, and the proposal to regularise many unauthorised layouts, as well as by taking over many BDA layouts recently.

About 25% of Bangalore's population live under unsatisfactory housing conditions, and the city has over 450 slums with nearly 155 of the population. The housing shortage is estimated at 177,400 units in 1991 against the annual output of less than 10,000 by the formal sector.

Public transport is grossly inadequate in terms of quality and numbers, and land use planning has not been operated to reduce traffic congestion or generation. The Light Rail transport is still at the design stage.
The proposals for the decongestion of commercial areas (by shifting the wholesale market of iron and steel, grains, fruits and vegetables and other commodities to selected places outside the city) is yet to be planned in consultation with the affected parties, on the lines of Bombay, with the necessary legal frame.

Water has to be drawn from a distance and pumped up, and the present supply is less than 140 lpcd, with wide variations in supply across the city.

There is a multiplicity of agencies for dealing with urban services and planning. These include: the Municipal Corporation, BDA, Karnataka Housing Board, Karnataka Slum Clearance Board (KSCB), KSRTC, KAI DB, BWSSB, KWSSB (for the peripheral areas and municipal councils under the BDA), the BMRDA and the recent entrant KUIDFC (urban infrastructure finance and Development corporation). The agencies and departments of the Government of India are significant investors in the area, besides providing substantial employment and managing a lot of land, services and property.

Formal private sector involvement is concentrated in the housing, land development and commercial sectors, although there are some private companies operating water tankers to supplement the water supply to high income and commercial areas. The entry of organised developers from other parts of the country indicates the high margins in rising real estate, although the momentum has been blunted by the Court Judgment on the use of surplus vacant land for commercial construction and transfer of the units to the purchasers. Meanwhile, land development occurs through extralegal stratagems, often without layout approvals, or through redevelopment of old premises. At the other end of the spectrum, informal sector rag pickers collect, sort and resell glass, metals and plastics to middlemen for ultimate recycling.

Gaps and Coordination

There are gaps and duplications in the provision of services and in planning. There are three different enactments aimed at achieving the same objective of planned development viz., the state Town Planning Act, the BMRDA Act, and the BDA Act. BMRDA and BDA both had jurisdiction over the BDA area, though BMRDA was constituted to look after a larger area, and both were vested with powers of coordination and issuing instructions to local agencies. The fringe areas are administered by different central and state agencies, and development is also subject to a number of enactments as described earlier. Sewerage is with BWSSB, but this is not coordinated with drainage and solid waste, which are with BCC. Housing is undertaken by the KHB, the KSCB and the BDA in competing ways, and now the BCC has also been given responsibility for implementing the scheme of housing for the poor.

A separate company has been floated for the planning and construction of mass transit schemes in Bangalore. At the same time, there is little effort at integrating major transport, land development and infrastructure proposals, and a failure to address traffic congestion through low cost traffic management approaches, priority for viable bus transport, and shifting of congesting activities from the inner city.

Barring the Pollution Control Board's efforts to regulate water and air pollution, the implementation of the environmental management strategy is not seen as the responsibility of
agencies under the Urban Development Department, although the State Minister for Urban Development is the Vice Chairman of the state body for environment.

Despite the existence of different agencies, and two metropolitan agencies with a regional mandate for coordination, a regional perspective plan and investment plan has yet to emerge, by bringing together the plans and programmes of at least various central, state and local agencies, and various statutory authorities operating in the metropolitan region. The latest Central Scheme of Mega cities has not been utilised to draw up a priority investment plan structured on the implementation of a strategic plan for the city.

The investment plan for the megacity looks like a string of different projects of different agencies, put together merely to satisfy the viability norm and the project mix criteria of the Central government. This impression is strengthened by the decision to entrust the channelling of funds, and some part of the implementation, to a novice institution viz., KUIDFC, rather than BDA with the planning and coordinating mandate. The other major investments of different agencies such as the massive water supply augmentation project, the big shelter expansion project, the BUPP, light rail transit etc., as well as the requirements of regularising unauthorised colonies and slums, have not been integrated with the process of prioritisation of infrastructural improvements under megacity. The linkage of the ADB project to megacities and the subregional planning exercise is also not clear. The impulsive power of fund availability tends to push coordination imperatives and institutional strengthening under the carpet.

The responsibility for slum upgradation is split among different agencies, but there is no common direction for standards, security of tenure, or redevelopment or relocation of slumdwellers. Land issues, and uncoordinated service provision and community facilities, are stated to be major problems in slum upgrading.

The Bangalore Urban Poverty Alleviation Project was taken up with Dutch assistance on a pilot basis in 10 slums, and is proposed to be extended to a larger area. It has evolved a unique organisational structure for the formulation of projects by slum development teams of the residents in selected slums, assisted by NGO's. These demand-driven projects would be interrelated to city infrastructure plans with the help of official agencies, and then presented to an empowered committee of officials and non-official agencies. The Committee is authorised to approve projects and other expenditure without any procedural requirements, and the approved projects are taken up for implementation by the communities and the selected agencies with full local involvement and convergence. The project has been evaluated by an expert team, and the deficiencies are being addressed, one of them being the failure to harmonise the project activities with the ongoing programmes of city agencies, and to institutionalise the monitoring of the project in the BCC and KSCB.

Meanwhile, despite the enabling framework of the National Housing Policy, no city agency (least of all the BDA) is structured to administer a differentiated shelter strategy for different sections of people, and contain the price rise, while expanding the supply of serviced sites and housing at affordable prices.

**Bangalore Development Authority (BDA)**

BDA was constituted in 1976 to take over the planning functions of the Planning Authority under the Town Planning law, and the development functions of the Improvement Trust.
Interestingly, the objectives of the Authority under the Act do not refer to the comprehensive planning of the city region. Its revenues in 1993-94 were Rs.32.9 crores. It has been raising loans from HUDCO and other financial institutions for its land development and group housing in recent years, but is not able to raise enough surplus to service the debt. This is partly because of the no profits no loss policy in its sale policy, and because of the inability under law to enter into joint ventures with the private or public sector for land development.

Far from coordinating metropolitan development, the BDA itself has been guilty of lack of internal coordination between the engineering, planning, land acquisition and estate management wings. The concern with land development and allotment, to the neglect of the housing needs of lower income groups, and the elitist standards, has led to unauthorised peripheral development, encroachments on the lands notified for acquisition, and delayed provision of services on its own layouts. The steps involved in securing approval for housing projects from BDA are described in Appendix III.

The coordination with BWSSB and BCC for civic services has been a problem. There have been in the past lengthy and damaging disputes between BDA and BCC about the handing over of the completed schemes, and the agreement on deficiency compensation by BDA, in terms of time delay and the provision of off-site infrastructure, and the consequential impact on maintenance. Similar problems of delay in trunk water and sewer services were also reported in respect of BWSSB. Ad hoc arrangements were made for water supply and sanitation, in anticipation of the trunk services, even as the BDA landed itself in civic management without the administrative infrastructure, or the backing of councillors. The civic services were often provided at less than the prescribed standards, and the common amenities. The property taxes are also levied at less than the BCC rates. It is as though the residents of BDA colonies are residing in a different city.

This has led to considerable dissatisfaction of the residents in the BDA colonies, and it is only recently, that many layouts have been taken over by BCC, thanks to there being a common administrator. The people are also harassed by problems of taking possession of allotted plots, delays in the grant of final sale deed, delays in the approval of layouts, and building permissions in non-municipal areas.

In the survey undertaken recently by the Public Affairs Centre of citizen views on different agencies, BDA topped the list in respect of public dissatisfaction, unhelpful attitude, speed money, information barriers, and repeated visits. The BDA has published informative booklets, but it is only recently, with the initiative of the Administrator and the Commissioner, that the different sections of BDA have developed a human face. There are over 65,000 persons on the waiting list for the allotment of plots, while no new land could be notified after 1988, and the expected acquisition of land may not meet a fraction of the waiting list.

The total receipts of BDA are Rs.58.93 crores for 1994-95 including revenue receipts of Rs.12.35 crores, Rs.20.35 crores from the sale of sites, and Rs. 10 crores of grants from Government. The revenue expenditure is Rs.17.18 crores of which establishment expenditure is over 50%, and the maintenance expenditure is over Rs.544 crores. The slum improvement works account for Rs.180 lakhs. The capital expenditure is on layouts and the formation of ring road. The wide variations in the budget estimates of receipts and expenditure on major items is indicative of poor financial administration, and poor communication between the spending departments and the accounts branch. The expenditure on salaries and administration has shown
a jump of nearly 90% from Rs.462 to 860 lakhs. The BDA owes Rs.46 crores to BWSSB alone, and it is not clear how they hope to service the proposed loan from HUDCO. There is no statement of total loan liabilities of sums owed to different departments, and whether repayments on this count have been provided for in the Budget. It was learnt that the liquidity position was so bad that in some months, the sale of commercial plots alone could help pay the salaries.

At the same time, the BDA has launched ambitious outer Ring Road projects out of the receipts of commercial plots, instead of revolting the receipts for land assembly and development. The pricing of plots is unrealistic and not based on the ultimate cost, with the result that BDA is faced with the prospect of financing the backlog in services from its own dwindling receipts. The cost of one large layout is reported to have gone up from Rs. 10 crores to 30 crores. The policy of below the cost price fixation, instead of on commercial principles on a differentiated basis, as followed in the World Bank Projects, has cost the BDA dear. The civic amenities are not allowed to be developed by genuine public or private agencies, as per the system followed in New Bombay, with the result that these sites are encroached over a period of time. Its financial and estate management problems have diverted BDA's attention from the genuine task of coordinated planning.

The recent government order ought to help in redelineating BDA's role, as it provides for the involvement of private parties in the development of lands, whether on notified lands, or in residential zones, subject to sharing the built-up area with the BDA for allotment to its registrants and the LIG. However, this still leaves open the question of liquidating the waiting list or of getting over the financial liabilities. Meanwhile, BDA has been asked to assume the role of being the planning and enforcing arm for the newly designated Metropolitan Planning Committee, and of enforcing the CDP with liberalised regulations. Its Act has to be amended, along with the BMRDA Act, in order

a) to restore the role of BMRDA to control over the development of areas outside BDA, and to interface with BDA and other agencies for regional development;

b) to restructure the role of BDA in line with the 74th Amendment;

c) to assume enabling powers to recast the Master Plan in line with innovative provisions in Bombay and the National Building Code, for participative development of land and reservations, levy of higher development charges, slum redevelopment, flexible and people-friendly building regulations, conservation of heritage etc.

The Coordination Issue

On the subject of coordination, it is worth noting the recommendations contained in the excellent report of the High powered Committee set up by the Government for the beautification of Bangalore. It pointed out that there is no single agency at present to coordinate the functions of different sectoral agencies and the municipal corporation. It advocated the need to ensure that the agencies carrying out the work of different departments, which impinge on the same area, are brought together and the work is done in one single operation. It should draw up overall plans, and help in securing finance for investments that are serviced by total project receipts over a period of time. It called for a comprehensive approach to different forms of pollution of air, water, and noise, and attention to hoardings, street furniture, aesthetic treatment of roads and avenues in a garden city like Bangalore.
It emphasised the role of the BCC in promoting the adoption of various civic amenities and conservation projects by the corporate sector and philanthropists, with benefit from fiscal concessions. It refers to the need for a comprehensive solid waste management plan, with community involvement for waste collection and local disposal, house to house collection in selected areas, recovery of resources and compost from waste, and the use of garbage to fill up unused quarries. It rightly stressed the scope for simultaneous attention to planning and conservation aspects.

BANGALORE MUNICIPAL CORPORATION (BCC)

Organisation

The BCC had a population of 32 lakhs in 1991 with a city limit extent of 151 sq.km. With the recent extension of limits, the extent of the BCC area will go up to 224 sq.km. with a population of about 47 lakhs. The Municipal Corporation is structured on the strong Commissioner pattern, but its performance has depended on the personality of the Commissioner than the extent of powers available to the post. The sanctioning power of the Commissioner is only up to Rs. 10 lakhs, and for proposals up to Rs. 15 lakhs, he has to approach the Standing Committee, and for amounts up to Rs. 30 lakhs the Corporation. For amounts higher than Rs. 30 lakhs, the Commissioner has to approach the Government through the Corporation, and this causes delay in implementation. There is a proposal to raise these limits.

The Commissioner is assisted by officers on deputation from the Government, being three Deputy commissioners, a Chief Accounts officer and two accounts officers (from the state accounts service), Legal Adviser, a Chief Engineer (from the PWD), a Deputy Director of Town Planning (to take care of building permissions), Health officer, Welfare officer and Education officer. The Council secretary and the Chief Auditor are not under the Commissioner, but they are also on deputation, and are likely to owe greater loyalty to the government.

The Commissioner has full disciplinary powers in respect of the Corporation staff and is the final authority for their ACR's also. As in the case of Mangalore, the Corporation operates on the basis of 1971 Recruitment Rules, which urgently require to be revised, as recognised by the state government. A number of posts do not have the benefit of recruitment rules. The entire accounts cadre barring clerks are on deputation from the state cadre. 25% of the Assistant Executive Engineers and Assistant Engineers are also on deputation, as are 50% of the assistant surgeons. The remaining staff belong to the Corporation service and vacancies are filled by promotion. The original Act provided for the transferability of the Corporation staff, but this provision has been struck down for want of enabling Rules.

There are about 16,600 employees of which the supervisory staff account for only 940, while the remaining employees (barring 850 persons on education service as a separate sub cadre) are composed of technicians, peons, drivers, gardeners, gang labour, and 7744 sanitary workers or paurakramikas. There is no requirement of examination or special skills aptitude for promotion to senior posts such as Assessor and Valuation officer or PRO. It was mentioned that, theoretically, a diploma holder can rise up the position of a chief engineer.

The training is ad hoc and not related to career planning or organisational needs. The engineering staff get some training in the State Engineering Research Centre, and the ministerial
staff in the ATI. Training under the separate projects is available for the UBSP staff, and the health staff under the India Population Project.

There are many vacant posts which could not be filled up due to the ban orders of government, and this resulted in critical shortages such as there being no accountants with officers have cheque drawing powers such as the electrical engineers, and inadequate check on health expenditure, and inadequate supporting staff for engineers with large spending powers and monitoring responsibility. The Corporators were reported to be more keen to fill up vacancies or additional posts of sanitary workers.

**Finances**

Bangalore has the largest total receipts of Rs.21974.83 lakhs and an expenditure of Rs.21115.97 lakhs. This includes Rs.1870 lakhs of cess collected on behalf of government. The proportion of own revenue at about 305 is quite low after the abolition of octroi. The budget takes credit for Rs.1100 lakhs of loan from HUDCO (which may not recur next year), and Rs.1100 lakhs from the Population Project (which will terminate in a few years). Thus, the assured income of BCC for future projections is only Rs.170 lakhs.

The own revenues of BCC form a small proportion of the total receipts of the Corporation after the abolition of octroi. The compensation on account of octroi alone is higher than the estimated receipts from property tax which is the main source of own revenues, apart from advertisement tax, various fees and charges, and administrative receipts. The rents on buildings and commercial complexes were quite low despite the scope for larger non-tax revenues from these and other sources like development charges. The motor vehicle tax had been pegged at a stagnant base, while the proportion of entertainment tax passed on to the Corporation was much lower than in other states. The BCC budget has been prepared on line item entry basis, with all the deficiencies noted in the previous Chapter. There was no information on the costs and revenues of specific services such as education and markets, or the rents of properties and maintenance cost.

The valuation of properties had not been revised since 1987, and the reforms in the valuation process on the lines of Bihar and A.P., and tax administration were being looked at by a consultant. The need for professional and independent valuation was stressed, with the involvement of professional valuers as in the case of Wealth Tax. It is possible to tax central and state government properties more thoroughly even within existing standing orders. It was necessary also to bring into the tax net all the assessable properties, including unauthorised constructions and newly built properties, by coordination with the BCC and BDA engineering wings, and the Sub Registrar. It was also necessary to impart in service training to assessment staff in Corporation service.

The average collection of property tax for 1994-95 was only 52.61% according to the Corporation, and the percentage of collection varied across individual assessment wards from a low of 28% to 74%. There was no effort to categorise the nature of arrears according to assesses and amounts, and mount selective drives for collection. Collection had to be improved by pursuing court case, and by implementing various measures on the Delhi model.

The collection of fees from the 116 markets, 5712 shops and 6 commercial complexes as on 31st march 1995 also presented a sorry picture, with only 50% of the dues being collected. The
licence fee had not been revised in the case of many shops after initial allotment, and where the licence period had expired. The Corporation owns 576 properties and has leased the land and premises to various institutions and individuals. The Corporation had not initiated action to resume the property, or negotiate revised terms, in respect of 337 out of 576 properties. it was keeping idle large number of properties and lands without their remunerative utilisation. Here was an opportunity for collaboration with the commercial sector and earn recurring income. It is hoped that these and other steps for revenue mobilisation and tax/accounting reform would be reflected in the SFC report.

Accounts

Municipal Corporations in the state do not even have an exclusive Accounting Code, as in the case of other states in the study. This was considered by the state government to be long overdue. There was no centralised accounting or internal audit, with the result that the engineering sections scrutinised and passed bills themselves, and the Chief Accounts Officer only received monthly statement of accounts. The Corporation was subject to audit by the State Controller of Audit and Accounts. The Chief Auditor raised audit objections for not following the Account Code, but the Standing Committee (in the erstwhile Corporation) reportedly did not take any serious note of it or fix responsibility. It was stated that the works were proposed for sanction without ascertaining the availability of funds, and this was not checked up even at the stage of approval by the Standing Committee.

Maintenance

No clear idea of the minimum requirement of funds for maintenance of various services at a tolerable level was available with the engineering or accounts department, and yet funds were allotted for new capital projects, and the engineering department cited inadequate funds as an excuse for poor maintenance of roads and drains. Sometimes, expenditure is incurred by spending departments in excess of budget provision, and this naturally creates liquidity problem for the Corporation at the stage of presentation of bills. The funds recovered by the Corporation's planning wing at the time of sanctioning private layouts, or for the regularisation of unauthorised layouts, were not earmarked into an infrastructure fund for the provision of deficient amenities. The maintenance of the garbage trucks and equipment is entrusted to the engineering workshops, and this affects their outturn due to lack of coordination. The Corporation faced problems of prompt response by the KEB in respect of repair and replacement of streetlight fittings and poles.

Decentralisation and Community Involvement

The Corporation was divided into three zones, each under a Deputy Commissioner, for administrative purpose, each with a separate Executive engineer. Separate grants were allocated for each of the 87 wards, and it was stated that efforts were made to ensure equitable allocation of funds for routine works in different wards in consultation with the Corporator. The Wards Committees would be constituted only after the elections, subject to the government issuing necessary notifications about the composition and powers of the Committees (the CIVIC is also engaged in an exercise for delineating the functions of these Committees, and for ensuring both adequate powers and citizen interaction). New revenue ranges and wards will have to be carved out in the light of the extension of limits. Meanwhile, additional staff has been proposed for the
new areas, although the requirement of additional infrastructure and finances in relation to estimated revenues is yet to be worked out.

The UBSP Programme with central grants is being implemented in the Corporation under the Health Department. It is providing convergent basic services and community activities in the selected slums on corporation land such as: immunisation, periodic health checkup; provision of toilets; drainage system; drinking water; income generating activities and vocational training.

The IPP Family Welfare project is implemented with a World Bank grant since 1994. It aims to extend outreach health and family welfare services to the slum population, with a focus on women and children; strengthen the existing health and family welfare services; involve the NGO's and private practitioners in the delivery of family welfare services in urban slums; involvement of the community in planning and implementation, as well as health awareness and education with the help of link workers; and improve the capability of health staff through training. Socio Health Environment clubs in the identified slums have been formed.

Despite this community-based activities under the Health Department, the UBSP and convergent approach does not seem to permeate the rest of the Corporation. This is reflected in the complaints of voluntary agencies about the apathy and non-responsive attitude of the corporation in respect of the shelter and service problems of slumdwellers. As noted earlier, the government also has not built on the Corporation's initiatives by making it the key player in the ongoing BUPP project covering a number of slums.

Privatisation

The Corporation has taken a number of initiatives for contracting services, and for the involvement of the organised sector in the provision of civic services, especially in the regime of the previous Commissioner, and significantly, during the reign of the elected body. In a number of wards, especially those in the extended areas, street sweeping and garbage transport had been entrusted to the private contractors, and the management of community toilets was also entrusted on pay and use basis.

The Corporation encouraged the involvement of resident associations in garbage collection with the involvement of ragpickers and unemployed youth, catalysed by voluntary agencies such as the Wastewise. This experiment was also integrated with the scheme for street children sponsored by the central Ministry of Welfare and the grants made available to the Corporation under this scheme. More local resident clubs, similar to the EXNORA in Madras, are reported to be under formation, and these are getting affiliated to the CIVIC under the new Swabhimana initiative of the BCC. The BCC also persuaded a public sector Bank to take over the maintenance and improvement of a major road. Similar arrangements were entered into with corporate groups in lieu of advertisement rights for road maintenance, street furniture, traffic islands, maintenance of small and big parks etc., in different parts of Bangalore. The private sector came forward to maintain a number of subways in return for the right to let out small kiosks in the subways. The construction of parking facilities on BOT basis has also been thought of.

The BDA is reported to have contracted out the street cleaning and garbage removal in its layouts till such time as the layouts are handed over. However, the Administrator of BDA was not satisfied with the experience of the contracting of services, especially as the layouts
themselves suffered from initially deficient amenities. It is proposed to involve the resident associations in the management of local civic services and community facilities in the new citizen initiative. The Municipal Commissioner referred to significant savings from the contracting of street cleaning of services, but no firm estimates of comparative expenditures were available, and the quality of the contracted service was reported to be no better than that provided by the BCC staff. This, however, may be a reflection of inadequate supervision and lack of clear tender specifications, in contrast to the CIDCO practices. The government recognises also the need for clear enabling provisions for privatisation on the pattern of the Maharashtra Act, and this is particularly needed for the sanitation sector.

Limited initiatives have thus been taken from time to time for the involvement of citizens in civic affairs, and the recent joint efforts of the Administrator of the BCC/BDA and the citizen groups under the CIVIC banner for strengthening decentralised provision of services, community participation and transparent administration. However, the personality of the top managers of the BCC and BDA seem to play a big part in sustaining these initiatives.

Rightly, the thrust of citizen effort is on simplification and reform of procedures, reduced scope for corruption, delegation of powers to local and section level officials, review of planning provisions and building permit procedures, dissemination of greater information to different sections of citizens and the urban poor on government schemes and procedures, and the reorientation of officials. The CIVIC (together with the research agency Public Affairs Centre, and the Karnataka Forum for Consumer Action) has been encouraged to form three subgroups for providing detailed action plans to the administration on the issues of city planning, decentralisation of services, and systems improvement and public relations. It has organised city level and intercity workshops for greater awareness of civic issues, legal literacy etc., and is spearheading a movement for effective implementation of the 74th Amendment in Karnataka, such as through the participative working of Wards Committees, adoption of innovative models in states like Kerala and Maharashtra, and education and training.

CIVIC is networking with similar groups in other major cities of the state, and is lobbying the legislators for acceptance of its views. It is also part of the national citizen network sponsored by the National Foundation of India. The growing mobilisation of citizens for civic cause gives rise to the hope that it may not need the prop of a committed Administrator, and will be able to forge similar partnerships with the elected body also.

**Water Supply and Sanitation**

The BWSSB is the statutory body responsible for all aspects of water supply and sewerage in the metropolitan area, but, neither the BCC Act or the BWSSB Act provide for the integrated management of sewerage, sanitation and solid waste management, as well as control of environmental pollution. The Act also does not confer powers on the Board for the control of exploitation of ground water. Despite the implementation of successive stages of the Cauvery river project, the per capita availability is below the tolerable norms. The shortage of water in 2001 is estimated at 562 mld even after accounting for the completion of projects under consideration. The Board has proposed to take up a wastewater recycling project for supply of water to industrial consumers. It is required to take steps to replace old and corroded pipelines, especially in old areas facing the brunt of traffic; this results now frequent leakages and contamination of water.
The distribution of water is made through 4400 kms. of pipeline, 30 ground level reservoirs and 30 overhead tanks. There are 183,000 house connections and 5000 public standposts (for which contribution is made by the BCC albeit at subsidised rates). The distribution of available water, after taking note of the unaccounted for losses of around 20%, is unequal across different areas and across income groups. In 57% of the service stations, the consumption is less than average, and the population consuming less than average per capita is 69%, while 11% of the population consumes 24.41% of the water consumed. The tariff has been recently revised under the pressure of financial institutions and the foreign donors, but it still does not meet the entire O&M cost and debt servicing, and the Board has to be sustained by government grants for loan repayment.

It is estimated that there are about 130,000 houses without latrines in Bangalore, and about 17,500 houses have dry latrines. As underground sewerage system is a high cost solution, the possibility of decentralised sewage collection and treatment options, as well as low cost sanitation for poor families, needs to be pursued jointly by BWSSB, BDA and BCC.

Bangalore generates about 2000 tonnes of solid waste from different sources, and the magnitude of hazardous and harmful hospital waste is growing. This is expected to go up to 3600 tonnes by 2001. The city corporation, by its own admission is not equipped in terms of staff numbers and productivity, lorries, compactors, area and quality of dumping and land fill areas, the technical capacity for differentiated treatment of wastes, and the investments for upgrading facilities. It generates hardly any revenue to meet the garbage collection costs. The collection efficiency is not over 65%, and there are many unserved areas, apart from the areas under BDA and the peripheral developments. The problem will only get aggravated with the recent extension of limits.

At the same time, limited efforts of citizen groups and NGOs, such as the WASTEWISE project involving street children, and the EXNORA clubs, NGO efforts to rehabilitate women rag pickers, hold out hope for community-based efforts for waste collection and recycling, provided the support of BCC is assured.

MANGALORE

The City economy and Urban Form

Mangalore is the headquarters of the Dakshina Kannada District on the western coast of India, and is one of the fastest growing cities in Karnataka, thanks to its excellent locational features and communication facilities. It is served by excellent air and rail connections, besides inland transport, and a new broad gauge link to Goa is under construction. The population according to the 1991 Census was 4.25 lakhs. The Corporation area was 78 sq.km., and this is proposed for extension. The local planning area, declared under the Town and country Planning Act, covers an extent of 208.6 sq.km. The Comprehensive Development Plan was approved in 1979, and the Mangalore urban Development Authority is in charge of its implementation.

Since long, the tile and beedi industries, and the processing industries for cashew, coffee, arecanuts and fish, as well as printing and engineering industries provide employment o 25% of the workforce. With the establishment of the New Mangalore port, a palletisation plant for the Kudremukh ores and the Mangalore Chemicals and Fertilisers plant came to be located in the
city. Two industrial estates for small scale and medium industrial units have been promoted by the state Industrial Areas Board.

With the liberalisation of the Indian economy and the supportive industrial policy, coupled with the good transport network and a highly literate workforce in the area, a lot of new industries are in the pipeline, or in progress. The location of the Mangalore Refinery and Petrochemicals (now in the final stages of construction), the BASF Chemicals and Dyes, and the proposed steel and power plants as well as the Cogentrix power plant, will spur massive investment in downstream industries, as well as employment and consumption multipliers. The city has well established educational and technical institutions, besides the famous Manipal complex of institutions not very far. The city has the branches of 10 nationalised banks, and the headquarters of some of them are located in the district. The literacy rate of the district is very high by national standards, being 84.7% for men and 68.3% for women. Technical skills and entrepreneurship of a high order are found in the district.

The rapid development of the urban agglomeration within the constraints of the two rivers has led to leapfrogging of development and a number of problems such as the poor condition of roads, traffic congestion and lack of parking facilities, frequent power shutdowns, shortage of drinking water and its unequal distribution, areas uncovered by sewer system, low garbage collection efficiency, pollution of water courses and groundwater caused by raw sewage and garbage, congestion in inner city and port areas, increasing cost of shelter for ownership and rental purposes, and the pollution caused by new industrial units such as the Refineries. Luckily, there has been much less growth of slums of the type witnessed in similar cities, and plans for a sustainable city can still be implemented.

The Urban Agencies and the Service Levels

The Mangalore city was governed till 1980 by a City Municipal Council after which it was elevated to the status of a Municipal Corporation with the present limits. The structure and functions of the MCC have been described in the context of the Corporations in general. The Corporation (now under supersession and with the Deputy Commissioner functioning as the Administrator) has 51 councillors. Unlike the Bangalore corporation, MCC has the responsibility for the maintenance of the water supply and sewerage system. The bulk water is provided out of a combined water conveyance treatment system by the KWSSB, which also has the responsibility of new capital works for water supply and sewerage. Unlike the Maharashtra Corporations, MCC does not have the responsibility for primary education.

The Mangalore Urban development Authority (MUDA) is designated as the UDA for the Local Planning Area. It consists of nominated Chairman (the Deputy Commissioner is the Chairman at present), with a fulltime Commissioner of the Authority drawn from the administrative service, a fulltime Town Planning Member, various officials of local agencies including the Municipal Commissioner, legislators and councillors, and a few nominated members. The Authority has 7 technical officials and 12 supporting staff. The revised comprehensive development plan was approved in 1992. It has involved itself in land acquisition and development, and has developed 6 residential layouts so far with 86 sites. It is authorised to sanction private layouts also, but it has delegated to MCC powers of sanctioning building plans for plots upto 500 sq.m. and G plus 1 construction. The Urban Land Ceiling has
not affected development much because it is not applicable to agricultural lands prior to the enforcement of the CDP, and to lands of area less than 49 cents.

The UDA has a budget of Rs.14.50 crores, and it has taken up the construction of bus stand, commercial complex, multistoreyed office complex, and group housing. This has distracted the UDA from its legitimate role and control of development within and on the periphery of Mangalore. There are many instances of plotted sales in unauthorised layouts, but they acquire legitimacy by clandestine registration. The development cost recovered from the private landowners and developers is not sufficient to provide the services.

The coordination between MUDA and MCC is inadequate, and the only point of contact between them appears to be the role of corporation engineers in providing water supply and sewerage connections for the MUDA layouts. The UDA blames the MCC for the traffic problems, forgetting its own role in the matter. The UDA has not effectively intervened in the redevelopment of the older parts of the city, or amendments to land use plan in order to reduce the generation of traffic and shift congesting activities and trades, or for collaborative development of the lands of the Port Trust. With the proposed establishment of the District Planning Committee, MUDA and other UDA's in the district will have to gear themselves to formulate the District Plan and align their CDP's with this Plan. UDA also needs to play a supportive role in the rapid industrialisation of the region including those not governed by municipal bodies.

Water Supply

The KWSSB is incharge of supplying bulk water to the MCC and a number of other bulk consumers like the Mangalore Chemicals and Fertilisers Factory, the industrial estate, the refinery, the Port Trust, the Suratkal municipality and one nagar panchayat, as well as a number of housing colonies. Out of the total water drawn from the netravathi river, 11.5 mgd. of water is supplied to MCC, which is then treated and pumped to ground level service reservoirs in different parts of the city, and distributed by gravity. This is supplemented by water from tubewells and other sources to 13.5 mgd., although there is a loss of 15% due to distributional losses, corroded pipes and unauthorised drawal, according to the engineers. The Board has planned to augment the supply of water by 24 mld to 86 mld. by the year 2006, but the MCC and others feel that this supply will prove inadequate. In fact, even the work of Rs.14 crores for distributional improvements, reservoirs, pumping stations etc., (with contribution from MUDA, MCC, LIC and government loan) has not progressed well due to paucity of funds and other problems. The availability of water in Netravathi during summer is causing concern, while the Sarpadi source is yet to receive environmental clearance.

It is considered necessary to reassess the demand for water on account of the number of industries in and around Surathkal and as far as the thermal power plant, additional water sources have to be tied up such as the one at Sarpady. Correspondingly, the distribution system in the older parts have to be remodelled, and new lines laid for the extended parts of the city. This is expected to require at the minimum Rs.50 crores, for which KWSSB has no immediate plans.

The management of water supply by MCC is inadequate both because of the uncovered areas and population, the unequal supplies across the city, and the failure to recover the entire cost of water supply and sewerage from the water charges. There is 24 hour water supply for low lying
areas, and poor water supply in high level areas. 25,000 unauthorised connections have so far been detected. The corroded pipes lead to the seepage of sewer and drainage water in some areas, with the danger of contamination and disease.

The recovery of water charges is not sufficient to even pay for the bulk water dues to KWSSB, let alone the cost of repairs, extension of water lines, drainage connections and new lines, repayment of loans etc., There is a huge water charge arrears of about Rs.1.21 crores in August 1995, and the current dues collection is only 70%. All the connections are metered, but the maintenance is inefficient, and the performance of the meter readers is deemed unsatisfactory. There are a number of operations in the water department that can be contracted out, as in the case of New Bombay. The supply of power goes down due to power failures and fluctuations. The quality of both surface and ground water is threatened by contamination by uncontrolled leachate from industrial and domestic waste disposal sites, and leakage from underground sewer and drainage systems. This shows the importance of upgrading sewerage system and solid waste management.

**Sewerage and Drainage**

The percentage of population covered by underground drainage is stated to be about 60% within the built-up area, but the effective coverage is much less. The 14 newly added villages and one town municipal council have no underground drainage, as do the proposed additions. The existing drainage and sewage treatment systems are overloaded and outdated. Cross-contamination of drinking water with untreated sewage is another problem in the case of old pipelines, and during power cuts when negative pressure builds up in the distribution lines. During monsoon, the sewage treatment system is rendered ineffective as excess drainage water enters and overloads the structures. Contaminated rain water may also get into the water system. Roadside drains get damaged quickly, leading to flooding on road surfaces and footpaths, and causing deterioration of pavements. Due to silting of the large storm water drain running from east to west, the neighbouring housesites get damaged during heavy rains.

The maintenance of drains in general is poor, and many maintenance works are not taken up for want of funds or poor planning. the pumps in the wetwells often break down, and many manholes and sewer lines are damaged, resulting in raw sewage being discharged into natural valleys and ultimately into the sea, causing estuarine pollution. One sewage treatment plant, which had broken down in 1991, is yet to be repaired and commissioned. About 20 mgd. of generation of industrial and toxic wastewater is expected by 2002, and its treatment, and linkage to the trunk system has to be planned from now on.

The poor drainage system was widely mentioned as an area of immediate investment and attention by both MCC and KWSSB. The rehabilitation of the existing sewer system is estimated to cost over Rs. 10 crores, while the extension of sewer lines to uncovered areas will cost Rs.18 crores, excluding the provision of industrial waste water treatment. The entire stormwater drainage and sewerage programme has to be planned and implemented jointly by the KWSSB, unlike the present practice, and the industries should be obliged to contribute to the treatment of their wastewater and toxic wastes as part of environmental management. The entire programme has to be financed out partly out of grants and partly from low interest loans, as sewerage and drainage are not remunerative. It has to be accompanied by a campaign to ensure
domestic sewer connections and the levy of sewer surcharge on properties by the MCC as in the case of Maharashtra.

**Waste Management**

The solid waste management is looked after by the MCC, and this is looked after by the Health Department. The collection is largely manual through about 1200 dustbins. The spacing of the dustbins is about 600 metres, which may be one of the reasons why there is a low percentage of collection. 9 vehicles used for transport of refuse, and it is dumped in a site of 30 hectares. Disposal is by composting. Out of the generated garbage of 104 tonnes daily, only 65 tonnes are collected. The rest of the garbage is dumped on open sites and in the drains. There are many areas not covered by daily cleaning. The manual composting, and the failure to provide the sanitary workers with gloves, gumboots, shovels etc., is among the reasons for their low interest in segregating the various components of the garbage before composting. The disposal site is not adequately fenced, and the stray animals and birds, as well as indiscriminate ragpicking cause insanitary conditions. Absence of facilities such as lack of water for drinking and washing, and shelter during inclement weather, also affect the efficiency of workers. While annually, more than Rs.12 lakhs are spent on waste management, the revenue realised from compost sale is insignificant.

Some effort has been initiated for contracting garbage removal on a pilot basis, and for the conversion of garbage into compost by the microbe process, but it is yet to get off the ground partly because of apprehended union opposition. Some resident associations have offered to collect garbage locally and take it to designated sites, and this is gaining momentum due to the recent surge of citizen effort. Public latrines are generally badly maintained, except for the few handed over to Sulabh Shauchalaya for maintenance.

**Transport**

The transport lines are overstretched and the growing numbers of vehicles and mixed traffic lead to acute traffic congestion and inconvenience, with the roads in a constant state of repair. There are ten accident-prone spots in the city, and nine major bottlenecks, which require immediate attention to avoid recurring accidents. There were about 60,000 vehicles registered in 1991, and there were 250 to 300 accidents per year on an average. The violation of zoning and building regulations and unauthorised ribbon development also cause congestion and parking problems. The footpaths are narrow, with obstructions due to unauthorised vendors and vehicles obstructing the movement of pedestrians. The road length in the old city limits was about 360 km, of which about 79% was asphalted, 7% was WBM, and 14% was earthen. About 60% of the roads were judged by the engineers to be in bad condition. About 10000 metres of footpaths were urgently required on ten roads.

The poor condition of the roads and the potholes were brought out vividly during discussions with different sections of citizens. There was a demand for cement concreting of all the roads, as well as widening of important link roads, and the provision of overbridges. The footpaths are often not fit for walking, and the flow of pedestrians and carts across busy market and inner city areas aggravate the problem. The hilly terrain and the soil structure, and the coastal climate and rains, make maintenance of roads and other infrastructure difficult.
Street lighting is generally reported to be satisfactory, except for the newly extended areas, parks and playgrounds, and some areas occupied by the poor people. The light fixtures are also to be improved for better illumination.

Environmental Plan

An environmental management plan has been prepared for the Dakshina Kannada district with the help of Danish consultants, and the report is under consideration of the state government for implementation. This highlights the deterioration of environment due to, and potential threats from, the poor sewerage and sanitation facilities, uncontrolled industrialisation, and lack of environmental controls. It also refers to the low provision of parks and playgrounds for the citizens. It refers to the threat posed by effluents from different sources and waste for the coastal waters and groundwater. It proposes a comprehensive programme for the training of all institutions concerned with environmental management, and active efforts for public awareness and participation.

Private Sector and Citizen Involvement

There have been good initiatives in recent months by the dynamic Deputy Commissioner for involving the private sector in the upgradation and maintenance of roads, traffic circles etc., and recoup the expense partly from advertisements. Dialogue has been started with the builders and corporate sector on the construction and maintenance of bus stands, provision of road grills and assistance in traffic management. It is however apprehended by many that these initiatives may not be sustained after the exit of the present Deputy commissioner.

There is no UBSP unit unlike Bangalore, and there are no community organisers in the MCC. The CIVIC organisation for citizens, on the lines of Bangalore, is also active in waste management, highlighting civic problems etc., but a community development counterpart has to be built up within the MCC and MUDA.

There are activist organisations, pleading the cause of fishermen and coastal preservation, in order to press for closure of the new refinery unless effective effluent control and disposal facilities are installed. There are apprehensions about the effect of capital intensive industrial units on environment and traffic generation, while ecofriendly small scale industrial prospects are undermined. The lack of coordinated attention to shelter for industrial labour and the poor people is also a matter of concern.

Organisation of MCC

The Municipal Commissioner exercises all executive powers. The organisational chart and the staffing pattern is given in appendix XI and XII. There are reported to be many vacancies for want of approval from the government, and this is apparently affecting performance. There is no common cadre and recruitment rules framed for the corporations, and hence, the 1971 Rules framed for the municipalities are being followed. The Corporation has forwarded revised recruitment rules for government approval, as the old Rules are unsatisfactory, and creates problems for promotion and for the recruitment to some of the new posts. As in the case of Bangalore, a number of senior and middle level posts are filled up by deputation from the Municipal Service and state departments. The Commissioner is the chairman of the recruitment Committee for Corporation posts. He is the final authority for annual performance report of
officials of the Corporation. There is no organised training plan for the employees in different departments. They are deputed to training centres in the state and outside on an ad hoc basis. The level of skills for a number of posts is deficient on account of the promotion system.

The Municipal Commissioner is competent to undertake works upto Rs.1 lakh, while he has to seek the approval of Standing Committee for works and proposals costing from Rs.1 to 3 lakhs, and that of the Corporation for sums Rs.3 to 8 lakhs. The government has to be approached for approval of expenditure and tenders above Rs.8 lakhs.

**Budget and Finances**

Mangalore has the smallest budget with a total revenue and capital income of Rs.2760.84 lakhs, and an expenditure of Rs.2264.43 lakhs. The main components of the revenue income (the tax income, non-tax sources and the assigned revenues are mixed up) are the property tax, share of entertainment tax and stamp duty, water charges and octroi compensation. The other income includes loans and grants for various agency schemes.

The Budget is prepared on line-item entry basis, and no information is available on outstanding liabilities, or the cost of services, or an effort to carefully segregate capital and revenue items of expenditure. Bulk of the revenue is derived from assigned taxes and octroi compensation, while non-tax revenues (including exploitation of commercial plots and open sites) are not properly exploited. The water and drainage sector is subsidised by the general revenues and assigned taxes, leaving less amount for essential maintenance and repairs. The establishment expenditure is almost 90% of own revenues excluding water charges.
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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>MUAE</td>
<td>Ministry of Urban Affairs and Employment, Government of India</td>
</tr>
<tr>
<td>HUDCO</td>
<td>Housing and Urban Development Corporation (a fully owned Government under the control of MUAE)</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>NIUA</td>
<td>National Institute of Urban Affairs, New Delhi</td>
</tr>
<tr>
<td>NIPFP</td>
<td>National Institute of Public Finance and Policy, New Delhi</td>
</tr>
<tr>
<td>IIPA</td>
<td>Indian Institute of Public Administration, New Delhi</td>
</tr>
<tr>
<td>RCUES</td>
<td>Regional Centre of Urban and Environmental Studies</td>
</tr>
<tr>
<td>KUWSSB</td>
<td>Karnataka Urban Water Supply and Sewerage Board</td>
</tr>
<tr>
<td>BWSSB</td>
<td>Bangalore Water Supply and Sewerage Board</td>
</tr>
<tr>
<td>BDA</td>
<td>Bangalore Development Authority</td>
</tr>
<tr>
<td>BCC</td>
<td>Bangalore City Corporation</td>
</tr>
<tr>
<td>KUIDFC</td>
<td>Karnataka Urban Infrastructure Development and Finance Corporation</td>
</tr>
<tr>
<td>BMRDA</td>
<td>Bangalore Metropolitan Development Authority</td>
</tr>
<tr>
<td>MCC</td>
<td>Mangalore City Corporation</td>
</tr>
<tr>
<td>MUDA</td>
<td>Mangalore Urban Development Authority</td>
</tr>
<tr>
<td>KIADB</td>
<td>Karnataka Industrial Area Development Board</td>
</tr>
<tr>
<td>BUPP</td>
<td>Bangalore Urban Poverty Project</td>
</tr>
<tr>
<td>KHB</td>
<td>Karnataka Housing Board</td>
</tr>
<tr>
<td>KSCB</td>
<td>Karnataka Slum Clearance Board</td>
</tr>
<tr>
<td>HAL</td>
<td>Hindustan Aeronautics Ltd.,</td>
</tr>
<tr>
<td>MWSSB</td>
<td>Maharashtra Water Supply and Sewerage Board</td>
</tr>
<tr>
<td>CIDCO</td>
<td>City and Industrial Development Corporation, Maharashtra</td>
</tr>
<tr>
<td>AMC</td>
<td>Aurangabad Municipal Corporation</td>
</tr>
<tr>
<td>MIDC</td>
<td>Maharashtra Industrial Development Corporation</td>
</tr>
<tr>
<td>VMC</td>
<td>Visakhapatnam Municipal Corporation</td>
</tr>
<tr>
<td>VUDA</td>
<td>Visakhapatnam Urban Development Authority</td>
</tr>
<tr>
<td>VPT</td>
<td>Visakhapatnam Port Trust</td>
</tr>
<tr>
<td>HMWSSB</td>
<td>Hyderabad Metropolitan Water Supply and Sewerage Board</td>
</tr>
<tr>
<td>UCD</td>
<td>Urban Community Development</td>
</tr>
<tr>
<td>ODA</td>
<td>Overseas Development Authority, Government of U.K.</td>
</tr>
</tbody>
</table>
31. **SUDA**-- State Urban Development Agency  
32. **DUDA**-- District Urban Development Agency  
33. **APUDHC**-- Andhra Pradesh Urban Development and Housing Corporation  
34. **APIIC**-- A.P. Industrial Infrastructure Corporation  
35. **APSEB**-- A.P. State Electricity Board  
36. **IPPP**-- India Population Project assisted by the World Bank in a number of cities  
37. **UBSP**-- Urban Basic Services for the Poor  
38. **IDSMT**-- Integrated Development of Small and Medium Towns (a centrally sponsored programme)  
39. **NCU**-- National Commission on Urbanisation (appointed by the Government of India, and whose report was submitted in 1988)  
40. **ACR**-- Annual Confidential Rolls  
41. **BPMC**-- Bombay Provincial Municipal Corporations Act, 1949  
42. **HMC Act**-- Hyderabad Municipal Corporation Act, 1955  
43. **KMC Act**-- Karnataka Municipal Corporations Act  
44. **TCPO**-- Town and Country Planning Organisation, Government of India  
45. **DDA**-- Delhi Development Authority  
46. **HSMI**-- Human Settlements Management Institute (Under HUDCO)  
47. **IHS**-- Institute of Housing and Urban Studies, Rotterdam  
48. **UNCHS**-- United Nations Centre for Human Settlements  
50. **AIT**-- Administrative Training Institute, Mysore.

One U.S. Dollar = Rs. 31 (approximately)

Rs. 1 crore = Rs.10 million = Rs.100 lakhs
APPENDICES
## I. URBAN LOCAL BODIES IN INDIA, 1991

| State                | Municipal Corporation | Municipal Council | Municipal Committee | Municipal Board | Municipality | City Municipal Committee | Town | Town (Municipal) Committee | Township | Town Area Committee | Town/ Nagar Panchayat | Village/ Mandal Panchayat | Notified Area Committee | Cantonment | Others | Total |
|----------------------|-----------------------|-------------------|---------------------|-----------------|--------------|--------------------------|------|--------------------------|----------|----------------------|------------------------|-------------------------|---------------------------|-----------------------|---------|--------|-------|
| Andhra Pradesh       | 3                     | -                 | -                   | -               | 109          | -                        | -    | -                        | 141       | 2                    | 1                      | 8                      | 264                      |          |        |       |
| Assam                | 1                     | -                 | -                   | -               | 24           | -                        | 49   | -                        | -         | -                    | -                      | -                      | -                        | 74        |         |       |
| Bihar                | 6                     | -                 | -                   | -               | 70           | -                        | -    | -                        | -         | -                    | -                      | -                      | 170                      |          |        |       |
| Goa                  | -                     | 13                | -                   | -               | 62           | -                        | -    | -                        | -         | -                    | -                      | -                      | 13                       |          |        |       |
| Gujarat              | 6                     | -                 | -                   | -               | 62           | -                        | 100  | 79                       | 10        | 1                    | -                      | -                      | 258                      |          |        |       |
| Haryana              | -                     | 81                | -                   | -               | -            | -                        | -    | -                        | -         | 1                    | 3                      | -                      | 85                       |          |        |       |
| Himachal Pradesh     | 1                     | -                 | 19                  | -               | -            | -                        | -    | -                        | -         | -                    | -                      | -                      | 57                       |          |        |       |
| Karnataka            | 6                     | -                 | -                   | -               | -            | 20                       | 136  | -                        | -         | 56                   | 1                      | 2                      | 235                      |          |        |       |
| Kerala               | 3                     | -                 | -                   | -               | 61           | -                        | -    | 2                        | -         | -                    | 7                      | 5                      | 386                      |          |        |       |
| Madhya Pradesh       | -                     | -                 | 17                  | -               | 357          | -                        | -    | -                        | -         | -                    | 7                      | 5                      | 102                      |          |        |       |
| Maharashtra          | 11                    | -                 | -                   | -               | 227          | -                        | -    | -                        | -         | -                    | 7                      | 2                      | 247                      |          |        |       |
| Orissa               | -                     | -                 | -                   | -               | 30           | -                        | -    | -                        | -         | -                    | 72                     | -                      | 102                      |          |        |       |
| Punjab               | 3                     | -                 | 95                  | -               | -            | -                        | -    | -                        | -         | -                    | 11                     | 3                      | 112                      |          |        |       |
| Rajasthan            | -                     | -                 | 19                  | -               | 168          | -                        | -    | -                        | -         | -                    | 5                      | 1                      | 193                      |          |        |       |
| Tamil Nadu           | 3                     | -                 | -                   | 98              | -            | 8                        | 212  | 119                      | -         | -                    | -                      | -                      | 452                      |          |        |       |
| Uttar Pradesh        | 8                     | -                 | -                   | 228             | -            | -                        | -    | 418                      | -         | 33                   | 22                     | -                      | 709                      |          |        |       |
| West Bengal          | 3                     | -                 | -                   | -               | 95           | -                        | -    | -                        | -         | -                    | 10                     | 1                      | 109                      |          |        |       |
| Delhi                | 1                     | -                 | 1                   | -               | -            | -                        | -    | -                        | -         | -                    | -                      | -                      | 3                       |          |        |       |
| Andaman & Nicobar    | -                     | -                 | -                   | 1               | -            | -                        | -    | -                        | -         | -                    | -                      | -                      | -                        |          |        |       |
| Chandigarh           | -                     | -                 | -                   | -               | -            | -                        | -    | -                        | -         | -                    | -                      | -                      | -                        |          |        |       |
| Pondicherry          | -                     | -                 | -                   | -               | 4            | -                        | -    | -                        | -         | -                    | -                      | -                      | -                        |          |        |       |
| Manipur              | -                     | -                 | -                   | -               | 7            | -                        | -    | -                        | -         | -                    | 21                     | -                      | -                        |          |        |       |
| Meghalaya            | -                     | -                 | -                   | -               | 1            | -                        | -    | -                        | -         | -                    | 1                      | -                      | 2                       |          |        |       |
| Sikkim               | -                     | -                 | -                   | -               | 7            | -                        | -    | -                        | -         | -                    | -                      | -                      | 7                       |          |        |       |
| Tripura              | -                     | -                 | -                   | -               | 1            | -                        | -    | -                        | -         | -                    | -                      | -                      | 12                      |          |        |       |
| **Total**            | **55**                | **32**            | **213**             | **253**         | **1290**     | **20**                   | **185** | **10**                   | **425** | **453**               | **254**               | **319**                 | **57**                  | **26**   |        | **3592** |
### II. MUNICIPALITIES – ACTIVITIES, PROBLEMS AND CAUSES

<table>
<thead>
<tr>
<th>Function/Activity</th>
<th>Problems</th>
<th>Causes</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Engineering</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Repairs and maintenance of</td>
<td>a) Most of the roads are non-black topped. The roads are in poor</td>
<td>Maintenance and improvement work not planned; carried out on adhoc</td>
</tr>
<tr>
<td>roads, including improvement</td>
<td>condition due to</td>
<td>basis.</td>
</tr>
<tr>
<td>works (conversion of gravel</td>
<td>- overflow of roadside drains</td>
<td>Inadequate manpower, especially gang coolies.</td>
</tr>
<tr>
<td>mud roads to black top)</td>
<td>- erosion due to rains</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- lack of inferior quality materials</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- inadequate supervision during work progress stage</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Inadequate facilities; road rollers, stone rollers, tools, etc.</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Accumulation of public complaints and delayed/inadequate attention</td>
<td></td>
</tr>
<tr>
<td></td>
<td>and response</td>
<td></td>
</tr>
<tr>
<td>2. Repairs and maintenance of</td>
<td>a) Water stagnation and overflow</td>
<td></td>
</tr>
<tr>
<td>drains</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

173
3. Repairs and Maintenance of buildings

| a) Most of the school, hospital, dispensary and reading room buildings are not white-washed for a long time. |
| b) Most of the buildings are old and dilapidated |

| b) Temporary linkages of drains using concrete pipes instead of constructing a culvert; stagnation due to breakage |
| c) Lack of response to public complaints |

| drainage schemes. |
| Inadequate resources and budget provision to construct culverts, other causes as in 1(b) above. |
| As in 1(c) above. |
| Repair and maintenance work not planned; carried out on adhoc basis. |
| Contract work not properly supervised. |
| Inadequate manpower. |
| No plans for phased dismantling and construction of new buildings. |

4. Repairs and maintenance of vehicles

| a) Most of the vehicles and carts are not in working condition and hence conservancy and sanitation work is affected. |

| Most vehicles are old and too uneconomical to maintain. |
| Vehicles and carts replacement not planned for. |
| Lack of co-ordination between Public Health and Engineering Departments. |
| No planned maintenance of Public wells. |

| Theft of hand-pumps are not attended immediately. Replacements are not given adequate attention. |
| No location planning of public fountain points; given on adhoc basis; theft of taps not receiving adequate attention. |
| Lack of skilled gang coolies to attend to main water line maintenance, services line maintenance. |

5. Repairs and maintenance of water supply

| a) Public wells are in dilapidated condition. |
| b) Most of the tube-wells are not having hand-pumps. |
| c) Public fountains are not located properly and maintained. |
| d) Leakage is not attended immediately, with the result water is wasted and roads get spoiled. |
6. Repairs and Maintenance of Public Lighting
   a) Most of the faulty street lights are not replaced with new bulbs.
   b) Extension of street lights to newly extended streets not receiving proper attention; takes a long time and repeated public representation to get the street lights.
   - This activity has been recently taken over from TNEB. As such municipalities/townships are not having electricians nor gang workers to attend to the complaints, replacements of bulbs and extension of lines.

7. Major repairs and maintenance/capital works
   a) Delays in estimate preparation, approval and execution of projects.
   - Financial limits for approval/sanction set in 1980 not revised commensurate with price levels and work involvement.
   - Processing mostly done at executing agencies rather than in municipalities leading to delays (for capital work execution)
   - Municipal engineers specialised in a single discipline; while approvals are accorded for their discipline, for other disciplines decisions are passed on to Regional Engineer/ DMA/Executing agencies for capital works.
   
8. Major repairs and maintenance/capital
   a) Large quality variance in the jobs executed; many of poor
   - Comprehensive projects are executed in piece-meal due to financial limits for
works quality. approval/sanction.
- Due to inadequate skill level available within municipalities/townships, most of the jobs are given to contractors. No proper supervision of the work executed by contractors.

B. PUBLIC HEALTH

1. Conservancy of roads and houses
   a) Roads are not cleaned properly for nightsoil and rubbish.
   b) Cess pool and septic tanks overflow.

   - No periodic planned maintenance programmes
   - Scavenging and sanitation vehicles and carts are not in working condition.
   - Existing facilities not adequate
   - Lack of coordination with Engineering Department
   - Lack of public convenience facilities.

2. Clearing of road-side drains
   a) Drains overflow which damage the roads.
   b) No properly constructed drains.
   c) During rainy season most of the roads are submerged under water
   d) Mosquitoes multiply in stagnant drain water and poses health hazards.

   - Drains are not cleaned regularly due to lack of manpower
   - Lack of initiative to identify the places where cement structure is required.
   - No separate storm water drain system with the result the storm water flows into roadside drains.
   - Spraying of DDT and prevention of diseases receives a low priority
   - No proper waste water treatment yards and drain water flows into lake/low lying areas

3. Solid Waste Disposal
   a) Rubbish accumulated is not removed for a long time.

   - Lack of rubbish carrying carts and vehicles
b) Inadequacy of number of rubbish bins provided.

- No proper scheduling for rubbish cleaning and disposal
- Lack of initiative on the part of controlling officers to provide necessary facilities.
- Lack of proper rubbish treatment and disposal yards. Mostly they are dumped in low-lying areas.

4. Food sampling and testing

a) Food Sampling and testing is not done regularly which results in increase of adulteration by traders.

- Public Health devotes major attention to conservancy and sanitation with the result these activities suffer.
- Lack of manpower.
- Lack of adequate facilities for testing.
- Procedural bottlenecks for prosecution

b) Protected water is not tested which results in water borne diseases

5. Immunisation

a) Vaccination and injections for prevention of small pox, cholera etc., are not periodically done.

- Non-availability of the preventive medicines.
- Health officials are not provided with adequate health workers to carry out this activity.

6. Epidemic Intelligence

a) Many cases of epidemic diseases go unnoticed

- Lack of manpower
- Lack of initiation on the part of health officials.
- Inadequate medical facilities for timely detection of epidemic diseases.

b) Health officials are not contacting the public periodically for assessing the general public health.

7. Vital Statistics

a) Statistical figures published are not representing the correct position

- Lack of awareness of public to inform the births and deaths.
- Compared to conservancy and sanitation work, this activity receives a low priority.

8. Industrial Licences

a) Licences are granted on

- Public Health staff are not
9. Maternity Centres and Child Care

a) Inadequate maternity centres
b) No woman medical officer to attend to maternity cases.
c) Infant care is absent and many children suffer

10. Child Health and Welfare

a) Children are not periodically tested against diseases and no doctor visits any area to conduct periodical tests.
b) Malnutrition is not detected and the public not advised in time for child welfare.

11. Family Welfare

a) Family welfare programmes are not given adequate publicity especially among lower income groups
b) No proper facilities like dispensaries, doctors, etc., to carry out birth control measures

12. School Children Health

a) School children are not tested
b) No separate doctors or health workers to carry out this activity.

- Technically qualified to make a scientific analysis and assessing the hazardous effects.
- Absence of enforcing norms to obtain clearance certificates from the approved agency.
- Lack of need assessment and planning for opening new centres.
- No separate doctors to attend to maternity cases.
- Inadequate facilities like lack of operation theatre, surgical equipment, medicines, etc.
- Lack of manpower like qualified nurses, attendants, etc.
- Public awareness is not created regarding nutrition, food and their importance by health officers.
- No separate doctors or health workers to carry out this activity.
- Health officials do not have plans to overcome the psychological barriers and resistance of the public, with the result the response of public to the scheme is minimum.
<table>
<thead>
<tr>
<th>periodically for general health</th>
<th>health workers to visit the schools on a planned programme and carry out tests.</th>
</tr>
</thead>
<tbody>
<tr>
<td>No periodical visits by doctors or health officials to find out from schools number of children affected by diseases and their follow up</td>
<td>Health officials are not taking initiative to acquire required facilities like weighing machines and general checkup instruments.</td>
</tr>
</tbody>
</table>
## C. REVENUE

1. Assessment of Property Tax
   a) Lack of objectivity and under assessment.
   b) Inadequate manpower
   c) Fast Increasing number of assesses

2. Preparation and serving of demand notices
   a) More than 3 months delay.
   b) Different forms are used for different taxes. Duplication of data in various registers.
   c) Record keeping procedures
   d) Targets may be unrealistic to achieve the incentives.
   e) Procedure and steps for non-payment of tax are cumbersome to adopt
   f) No penal interest for non-payment of tax.

3. Collection of property tax.
   a) Average delay in collection is more than 6 months.
   b) Target for bill collectors normally under achieved
   c) Public resistance demanding better civic facilities for payment of tax

   a) No demand notices raised and served on rate payers.
   b) Left to the rate payers to pay the amount on their own. No penal action taken for non-payment
   c) Lengthy procedure for assessment
   d) Procedures and steps for non-payment are cumbersome to adopt

5. Remunerative enterprises
   a) Not many income generating schemes undertaken like cinema theatres, marriage halls, markets, etc.
   b) Inadequate planning and need assessment.
   c) Inadequate finance available
   d) Lack of initiative to negotiate loan financing for schemes.

## D. TOWN PLANNING

   a) Extent of area covered is not exactly known.
   b) Places marked for parks, play grounds, markets, bust stands etc., are not available.
   c) Encroachments are difficult to identify
   d) Survey has not been done for a long period
   e) Area maps are not developed and provided
   f) Without land maps difficult to identify encroachments
### E. ADMINISTRATION

1. **Budget preparation and approval**
   - a) Budgets are always inadequate to cater to the requirements of activities.
   - Carried out as a financial exercise for obtaining legislative approval
   - b) Budget is oriented towards administrative expenses than towards service requirements.
   - Objectivity and service levels are lost in the process.

2. **Monitoring of Revenue Collection**
   - a) Registers and records are not updated
   - Lack of coordination with Revenue Departments.
   - b) Duplication and multiplicity of records which increases the work load.
   - Systems and procedures prescribed as well as evolved and accepted by convention.
   - c) Non-standard, lengthy formats, with unnecessary columns, not filled up.

3. **Monitoring of capital and O&M Expenditure**
   - a) Actual expenditure on a scheme or O&M is difficult to find out.
   - Lack of updating the records
   - b) Comparison of the actual with estimate is not periodically done, with the result the actuals always exceed the budget.
   - Lack of co-ordination with Engineering Department.
   - Unnecessary workload due to duplication of data
   - Lack of adequate accounting skill level
   - Lack of information system and periodical reports.
   - c) Duplication and multiplicity of records which increases the work load.
   - d) Non-standard, lengthy formats with unnecessary columns, not filled up.
### III. STAGES INVOLVED FOR TAKING UP HOUSING PROJECTS IN BANGALORE METROPOLITAN PLANNING AREA (BDA) AREA

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Present Legal Provisions</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Purchase of agricultural land</td>
<td>Section 79B and 80 of Karnataka Land Revenue Act prohibits to hold agricultural land from non-agriculturists.</td>
<td>Govt. proposes to exempt land upto 20 units (108 acres)</td>
</tr>
<tr>
<td>2. Exemptions under Urban Land (Ceiling &amp; Regulation) Act, 1976</td>
<td>Maximum holding is 1,000 Sq. Mtrs. in Bangalore</td>
<td>Govt. has powers to exempt excess vacant land under Sec. 20 (1)(a) on the grounds of public interest.</td>
</tr>
<tr>
<td>3. Conversion of agricultural land to non-agricultural purposes</td>
<td>Under Sec. 95 of Karnataka Land Revenue Act, the agricultural land is to be converted for non-agricultural purposes.</td>
<td>Deputy Commissioner, Bangalore district is the authority to issue such orders and such conversion should be in conformity with the land use proposals of the revised C.D.P.</td>
</tr>
<tr>
<td>4. Approval of Layout Plan/Development Plan</td>
<td>Under Sec. 17 of Karnataka Town and Country Planning Act, 1961 and Sec. 32 of B.D.A. Act, 1976 approval for Layout Plan/Group Housing Plan/Industrial development is necessary.</td>
<td>The B.D.A. as a Planning Authority under the KTCP Act approves the plan subject to land use and zoning regulations of the C.D.P.</td>
</tr>
<tr>
<td>5. Civic Amenity/Park and sital area in the Development Plan/Layout Plan</td>
<td>Minimum of 15% of total area is for park and 10% for Civic amenity and the remaining is for sites and roads.</td>
<td>Maximum F.A.R. is 2.5 for Group Housing. No restriction on floors and height.</td>
</tr>
<tr>
<td>6. No Objection Certificates required for approval of Development Plan/Layout Plan</td>
<td>NOC from KEB, BWSSB, Tele-communications, Fire Force Deptt. National Airport Authority of India required for all high-rise buildings as per zoning regulations of the revised C.D.P.</td>
<td>B.D.A. will co-ordinate and obtain these NOCs.</td>
</tr>
<tr>
<td>7. Fees/Levies to be paid for approval of Layout Plan/Development Plan:</td>
<td></td>
<td>These Charges are to be paid to BDA before the approved development plan is issued to the Developer</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Rate</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>a)</td>
<td>Scrutiny fee</td>
<td>Rs. 0.50 per Sq. Mtr.</td>
</tr>
<tr>
<td>b)</td>
<td>Betterment fee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Residential</td>
<td>Rs. 20/- per Sq. Mtr.</td>
</tr>
<tr>
<td></td>
<td>Industrial</td>
<td>Rs. 40/- per Sq. Mtr.</td>
</tr>
<tr>
<td></td>
<td>Commercial</td>
<td>Rs. 75/- per Sq. Mtr.</td>
</tr>
<tr>
<td></td>
<td>as per Sec. 37 of Karnataka Planning Authority Rules, 1965</td>
<td></td>
</tr>
<tr>
<td>c)</td>
<td>Cauvery III Stage contribution</td>
<td>Rs. 2/- lakhs per acre as per Govt. Order No. HUD 664 MNX 92 dated 12-1-1993</td>
</tr>
<tr>
<td>d)</td>
<td>Ring Road Cess</td>
<td>Rs. 1.25 lakh per acre as per BDA Resolution No. 354/92 dated 19-10-92</td>
</tr>
<tr>
<td>e)</td>
<td>Development Charges</td>
<td>Rs. 15/- per Sq. Mtr. as per Govt. Order No. HUD 66, TTP 77 dated 17-9-77</td>
</tr>
</tbody>
</table>
V. ORGANAGRAM OF MUNICIPALITIES, KARNATAKA

HOUSING AND URBAN DEVELOPMENT
Minister

HOUSING Secretary

URBAN DEVELOPMENT Secretary

DEPARTMENT OF MUNICIPAL ADMINISTRATION
Director - IAS

CITY MUNICIPAL CORPORATION
(Municipal Commissioner - IAS
[for example, Mysore]

CITY MUNICIPAL COUNCIL
(Municipal Commissioner - KAS/KMAS)
[for example, Tumkur]

TOWN MUNICIPAL COUNCIL
(Chief Executive Officer - KMAS)
[eg Ramanagaram and Channapatna]
VI. MUNICIPAL OFFICERS TO BE APPOINTED UNDER THE MAHARASHTRA, KARNATAKA, ANDHRA PRADESH AND ORISSA ACTS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>—</td>
<td>—</td>
<td>Director of Municipal Administration [Section 74(1)]</td>
<td>—</td>
<td>Divisional Commissioner as also Director of Municipal Administration (Sections 303 &amp; 388)</td>
<td>—</td>
<td>—</td>
<td>Director of Municipal Administration [Section 393A(1)]</td>
</tr>
<tr>
<td>—</td>
<td>—</td>
<td>Regional Directors of Municipal Administration [Section 74(1)]</td>
<td>—</td>
<td>Deputy Commissioner [Section 304]</td>
<td>—</td>
<td>—</td>
<td>Deputy Director [Section 393A(2)]</td>
</tr>
</tbody>
</table>

**A. State Level Officers**

**B. Municipal Officers**

<table>
<thead>
<tr>
<th>Municipal Commissioner [Section 54(1)]</th>
<th>Municipal Commissioner [Section 36]</th>
<th>Chief Officer [Section 74(1)]</th>
<th>Chief Officer [Section 14]</th>
<th>Commission er (Section 327 &amp; 331)</th>
<th>Commission er (Section 56)</th>
<th>Executive Officer (Section 74)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Municipal Commissioner [Section 54(3)]</td>
<td>Additional Municipal Commissioner [Section 54(3)]</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Director (Engineering Services and Projects) [Section 54A]</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Deputy Municipal Commissioner [Section 55]</td>
<td>Deputy Municipal Commissioner [Section 45(2)]</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

186
<table>
<thead>
<tr>
<th>Position</th>
<th>Commission</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Municipal Commissioner</td>
<td></td>
<td>45(2)</td>
</tr>
<tr>
<td>Assistant Commissioner</td>
<td></td>
<td>82(1)</td>
</tr>
<tr>
<td>Assistant Commissioner</td>
<td></td>
<td>132</td>
</tr>
<tr>
<td>General Manager of the Bombay Electric Supply and Transport Undertaking</td>
<td></td>
<td>60A</td>
</tr>
<tr>
<td>Special Engineer</td>
<td></td>
<td>73A</td>
</tr>
<tr>
<td>City Engineer</td>
<td></td>
<td>74</td>
</tr>
<tr>
<td>Medical Officer of Health</td>
<td></td>
<td>45(1)</td>
</tr>
<tr>
<td>Municipal Engineer</td>
<td></td>
<td>75(2)</td>
</tr>
<tr>
<td>Health Officer</td>
<td></td>
<td>82(1)</td>
</tr>
<tr>
<td>Municipal Engineer</td>
<td></td>
<td>133</td>
</tr>
<tr>
<td>Engineer</td>
<td></td>
<td>71</td>
</tr>
<tr>
<td>Medical Officer of Health</td>
<td></td>
<td>328</td>
</tr>
<tr>
<td>Municipal Engineer</td>
<td></td>
<td>71</td>
</tr>
<tr>
<td>Health Officer</td>
<td></td>
<td>74</td>
</tr>
<tr>
<td>Special Health Officer(s)</td>
<td></td>
<td>85</td>
</tr>
<tr>
<td>Municipal Hydraulic Engineer</td>
<td></td>
<td>74</td>
</tr>
<tr>
<td>Municipal Education Officer</td>
<td></td>
<td>76A</td>
</tr>
<tr>
<td>Water Works Engineer</td>
<td></td>
<td>75(2)</td>
</tr>
<tr>
<td>Municipal Education Officer</td>
<td></td>
<td>75(2)</td>
</tr>
<tr>
<td>Educational Officer</td>
<td></td>
<td>71</td>
</tr>
<tr>
<td>Chief Town Planner</td>
<td></td>
<td>132</td>
</tr>
<tr>
<td>Town Planning Officer</td>
<td></td>
<td>71</td>
</tr>
<tr>
<td>Revenue Officer</td>
<td></td>
<td>82(1)</td>
</tr>
<tr>
<td>Municipal Secretary</td>
<td></td>
<td>45(1)</td>
</tr>
<tr>
<td>Council Secretary</td>
<td></td>
<td>82(2)</td>
</tr>
<tr>
<td>Municipal Secretary</td>
<td></td>
<td>133</td>
</tr>
<tr>
<td>Municipal Chief</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal Auditor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal Examiner of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditor (Section 78A)</td>
<td>Auditor [Section 45(1)]</td>
<td>[Section 75(2)]</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Additional Municipal Chief Accountant (Section 78D)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Joint Municipal Chief Accountant (Section 78E)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
### VII. OBLIGATORY AND DISCRETIONARY FUNCTIONS OF MUNICIPAL CORPORATIONS/MUNICIPALITIES UNDER THE MAHARASHTRA, KARNATAKA, ANDHRA PRADESH, ORISSA AND WEST BENGAL ACTS

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Regulations of construction of buildings</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>Roads and Bridges</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Water Supply for domestic purpose</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>#</td>
<td>✓</td>
</tr>
<tr>
<td>Public health, sanitation, conservancy</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Urban forestry (planting &amp; care of trees)</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>✓</td>
<td>✓</td>
<td>#</td>
<td>#</td>
<td>✓</td>
<td>#</td>
</tr>
<tr>
<td>Parks, Gardens and Playgrounds</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>✓</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>Burial grounds, cremation grounds</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>Vital statistics (registration of births and deaths)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✗</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>Street lighting</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Regulation of slaughter houses</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

1. Functions which have been specified in Article 243W and the Twelfth Schedule of the Constitution and are also provided for in all Acts.

In Case of Andhra Pradesh Municipalities Act, 1965 & Orissa Municipal Act, 1950, the functions are specified in various sections.

✓ Obligatory Function  
# Discretionary Functions  
✗ Non Mentioned in the Act

189
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Services</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Safeguarding interests of weaker section (SC/ST/BC)</td>
<td>x</td>
<td>x</td>
<td>✓</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Cattle pounds</td>
<td>x</td>
<td>✓</td>
<td>x</td>
<td>✓</td>
<td>x</td>
<td>✓</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Slum improvements and upgradation</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Public amenities</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>— Parking lots, Bus stops</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>✓</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>— Public conveniences</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Promotion of educational aspects</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>✓</td>
<td>✓</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>— Pre-primary education</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>— Primary education</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>— Secondary education</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>x</td>
<td>x</td>
<td>#</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>— Maintenance of Libraries</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>x</td>
<td>x</td>
<td>#</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Promotion of cultural aspects</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>— Establishing museums, galleries, etc.</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>— Organising fairs, exhibitions</td>
<td>x</td>
<td>#</td>
<td>#</td>
<td>x</td>
<td>x</td>
<td>#</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Survey of buildings and lands</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>x</td>
<td>#</td>
<td>#</td>
<td>#</td>
</tr>
<tr>
<td>Construction &amp; Maintenance of night shelters, children's homes, houses for the destitute</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>#</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Providing milk to expectant mothers, infants and school children</td>
<td>x</td>
<td>x</td>
<td>#</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Maintaining dairies, dairy farm, stud, distribution &amp; supply of milk</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>#</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Maintenance of an ambulance service</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>✓</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Measures for supply of essential commodities, relief during scarcity</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>✓</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Management of any undertaking for supply of electric energy, gas, telephones</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
</tbody>
</table>
## VIII. RECOMMENDED MUNICIPAL STAFFING NORM

<table>
<thead>
<tr>
<th>Department</th>
<th>Function</th>
<th>Work Load</th>
<th>Posts</th>
<th>Remarks</th>
</tr>
</thead>
</table>
| 1. Water Supply  | i) Hand Tubewell          | Every 200 hand tubewells                      | Mistry      | Additional posts will be available when the unit of 200 is exceeded by atleast 50.
|                  |                            |                                               | Asst. Mistry Helper | 1                                                                      |
|                  | ii) Spot Tubewells        | This is applicable for ULBs having more than 300 hand tubewells | Mistry      | All re-sinking and sinking works may be done on contractual basis.     |
|                  |                            |                                               | Asst. Mistry Helper | 1                                                                      |
|                  | iii) Deep Tubewells       | One Pump                                      | Pump Operator | 4                                                                      |
|                  |                           |                                               |              | One Additional pump operator for each overhead reservoir.              |
|                  |                           |                                               |              | One leave reserve for every three pump operator.                      |
|                  | iv) Maintenance/repairing/washing | Every 30 km. water pipe line                  | Pipe Line Inspector | Additional one post if pipes line exceed the standard by 10 kms.   |
|                  |                           | Every 15 km. of pipe line                     | Mistry      | Also to be responsible for minor repairs of tubewells                 |
|                  |                           |                                               | Asst. Mistry Helper | 1                                                                      |
|                  |                           |                                               |              | For electrical work, service of electric mistry of PWD may be availed of. |
|                  | v) Superior technical Supervision | Where the population is more than 50,000 provided there is a water works/sewerage treatment plant or more than 30 km. of road. In other cases SAE for roads/drain etc. will be responsible for the duties in water supply department | SAE         | For major repairs contractual service should be availed of.          |
v) Office Staff  
Maintenance of records of tubewells, hence connections, repairs etc.
For every 30 kms. of pipe line of 3" to 4" dia.

Clerk 1
Storekeeper-cum-clerk 1
Peon/helper 1

(Note: No staff recommended for supply of water by tanker, such supply may be made by tractors of the conservancy department)

<table>
<thead>
<tr>
<th>2. Public Health and conservancy</th>
<th>i) Conservancy</th>
<th>Where population is more than 1,00,000</th>
<th>SAE (LME)-1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>For every 20 wards</td>
<td>Sanitary Inspector 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For every 5 wards</td>
<td>Sanitary Inspector 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For every 10 Majdoor</td>
<td>Mate 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For every 1500 population</td>
<td>Majdoor 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For every 10 dry latrines</td>
<td>Night soil cleaner 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For every 10 night soil cleaner</td>
<td>Met 1</td>
</tr>
</tbody>
</table>

Additional post will be available if the standard of 20 wards exceeds by at least 5 wards.

For meeting seasonal requirement, not more than 15% of regular strength of majdoors may be engaged as seasonal workers for not exceeding 100 days at a time per worker, subject to the condition that such seasonal employment shall not be provided for more than six months in a year and that wages for such seasonal employment shall be met out of ULBs own resources.

Not applicable to ULBs where all dry latrines have been converted into sanitary latrines.
<table>
<thead>
<tr>
<th></th>
<th>Driver</th>
<th>Majdoor</th>
</tr>
</thead>
<tbody>
<tr>
<td>For every 25,00 population one lorry/tractor-trailer</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>For each ambulance</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>For every 10 running vehicles</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Where there are more than 6 vehicles in running condition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>For each cesspool emptier</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>For septic tank cleaning (1 tractor and 6 tankers)</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Dis-infecting work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registration of birth and death</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric crematorium</td>
<td>Must be contractual service</td>
<td></td>
</tr>
<tr>
<td>Burning Ghat</td>
<td>Recorder</td>
<td>1</td>
</tr>
<tr>
<td>Burial Ground</td>
<td>Recorder</td>
<td>1</td>
</tr>
<tr>
<td>Removal of carcass</td>
<td>Dome</td>
<td>1</td>
</tr>
<tr>
<td>Trenching ground</td>
<td>Majdoor</td>
<td>3</td>
</tr>
</tbody>
</table>

10% leave serve posts

If there is any cesspool emptier
### 3. Street
#### Street Lighting
For every 1500 poles
- Clerk
- Lighting supervisors

### 4. Market
For each municipal market
- Majdoor

### 5. Guest House/ tourist lodge/ dormitory
For each guest house/ tourist lodge/ dormitory having at least 20 beds
- Care taker
- Majdoor
- Attendant

### 6. Bus Stand
For each municipal bus stand
- Majdoor

### 7. Auditorium
Per 500 seats
- Care taker
- Group D post

### 8. Public works
#### i) Superior Technical Supervision
For ULB with population between 50,000 and 1,00,000
- Assistant Engineer

For ULB with population more than 1,00,000
- Assistant Engineer

#### ii) Technical Supervision
For ULB with population upto 1,00,000
- SAE (LCE)

For ULB with population more than 1,00,000
- SAE (LCE)

#### iii) Field Supervision
For ULB with population upto 100,000
- Work Sarker

---

1. For Additional 1,00,000 population one additional post of clerk
2. For switching on and off and replacement of bulb only. Other jobs may be done through contractual service.
3. One Toll collector for every Rs. 150/- collection per day.
4. Additional posts only when standard is exceeded by 100 seats.
5. No Assistant Engineer for ULB with less than 50,000 population. The SAE will perform the duty of Assistant Engineer.
6. One Additional SAE (LCE) where population exceeds 2,00,000
7. Additional Contingent Work Sarker may be appointed against each specific scheme valued Rs. 100,000 till completion of the scheme
<table>
<thead>
<tr>
<th>iv) Building plan sanction</th>
<th>For each ULB</th>
<th>Building Inspector</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>For ULB with more than 50,000 population</td>
<td></td>
<td>Surveyor</td>
<td>1</td>
</tr>
<tr>
<td>For ULB with more than 1,00,000 population</td>
<td></td>
<td>Clerk</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>v) Road Roller</th>
<th>For each road roller</th>
<th>Driver</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Helper</td>
<td>1</td>
</tr>
</tbody>
</table>

| vi) Electrical Maintenance | For each ULB | Electric Mistry | 1 |
|                            | For each ULB with population over 75,000 | Clerk-cum-typist | 1 |
|                            | For each ULB with population over 75,000 | Messenger | 1 |
|                            | For each ULB with population over 75,000 | Peon | 1 |

<table>
<thead>
<tr>
<th>8. General Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Superior Supervisor</td>
</tr>
<tr>
<td>For ULB with more than 1,00,000 population</td>
</tr>
<tr>
<td>For each ULB</td>
</tr>
<tr>
<td>For ULB with more than 2,00,000 population</td>
</tr>
<tr>
<td>For each ULB with more than 2,00,000 population</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ii) Subordinate Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>For each ULB</td>
</tr>
<tr>
<td>For ULB with more than 2,00,000 population</td>
</tr>
<tr>
<td>For each ULB</td>
</tr>
<tr>
<td>For each ULB, for every 100 staff members, for GPF, Pension, Service Book, leave records salary bills etc.</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<p>| iii) Cash Section | For each ULB | Cashier | 1 |</p>
<table>
<thead>
<tr>
<th>iv) Office Vehicle</th>
<th>v) General Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>For each ULB</td>
<td>Asst. Cashier</td>
</tr>
<tr>
<td>handling cash</td>
<td>(Additional)</td>
</tr>
<tr>
<td>more than Rs. 1,00,000 per month</td>
<td>1</td>
</tr>
<tr>
<td>For each ULB</td>
<td>Cash Peon</td>
</tr>
<tr>
<td>For each office vehicle</td>
<td>1</td>
</tr>
<tr>
<td>Peon</td>
<td>1</td>
</tr>
<tr>
<td>Driver</td>
<td>1</td>
</tr>
<tr>
<td>For each ULB (for receiving and despatch)</td>
<td>1</td>
</tr>
<tr>
<td>Clerk</td>
<td>1</td>
</tr>
<tr>
<td>For each ULB (mainly for law matters)</td>
<td>1</td>
</tr>
<tr>
<td>For each ULB with population : upto 25,000</td>
<td>General Clerk</td>
</tr>
<tr>
<td>25,000 to 1,00,000</td>
<td>Nil</td>
</tr>
<tr>
<td>More than 1,00,000</td>
<td>General Clerk</td>
</tr>
<tr>
<td></td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>General Clerk</td>
</tr>
<tr>
<td></td>
<td>3</td>
</tr>
<tr>
<td>For each ULB with population : upto 25,000</td>
<td>Peon-cum-Darwan</td>
</tr>
<tr>
<td>25,000 to 1,00,000</td>
<td>&quot;</td>
</tr>
<tr>
<td>More than 1,00,000</td>
<td>&quot;</td>
</tr>
<tr>
<td></td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>One Additional post for every additional 50,000 population</td>
</tr>
</tbody>
</table>

9. Assessment and Collection Department

i) Assessment Department

<table>
<thead>
<tr>
<th>For each ULB</th>
<th>Assessment Inspector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>For ULB with more than 10,000 Holding</td>
<td>Assessment incharge</td>
</tr>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>For ULB upto 10,000 Holdings</td>
<td>Assessment Supervisor</td>
</tr>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>One additional clerk where number of holdings exceed 10,000</td>
</tr>
<tr>
<td>Collective Department</td>
<td>For each ULB</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------------</td>
</tr>
<tr>
<td></td>
<td>For every 1500 holdings</td>
</tr>
<tr>
<td></td>
<td>Tax Collecting Sarkar</td>
</tr>
<tr>
<td></td>
<td>For each ULB with more than 20,000 Tax paying Holdings</td>
</tr>
<tr>
<td></td>
<td>ULB with more than 1,00,000 population</td>
</tr>
</tbody>
</table>

ULBs should engage Commission agent for tax collection instead of recruiting collecting Sarkars after retirement of each collecting Sarkar.

**Note:**

1) For Calculation of 10% leave reserve posts, total number of similar posts of all departments and sections shall be taken together.

2) Leave reserve posts shall not be earmarked for particular departments or section. There shall be a central pool of leave reserve posts, where from any department of section will draw to fill up leave vacancy.

3) Census 1991 shall be used for fixing the norms until the figures of next census is available.

4) For hospitals, health centres, educational institutions etc., the staffing norms may be fixed by appropriate administrative departments of the State Government.

5) Security agencies may be engaged on contract basis for watch and ward duties whenever necessary, up the required norms.
IX. ORGANISATION CHART – MANGALORE CITY CORPORATION

Table 1.1

- Commissioner
  - Engineering Department Including Town Planning Department
    - Executive Engineer
      - Works & Buildings
      - Water Supply & Drainage
      - Town Planning
    - Ministerial
  - Health Department
    - Health Officer
    - Public Health
      - Ministerial
      - Dispensaries
    - Maternity Hospital & Centres
      - N.E.C.P. Unit
  - General Administration
  - Accounts Department
  - Audit Department
  - Land Acquisition Department
    - Assistant Commissioner
  - Council Matter
    - Council Secretariat

Note: Details of Staff of Engineering & Health Departments are Furnished Separately

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ORGANISATION CHART OF ENGINEERING DEPARTMENT
CITY CORPORATION MANGALORE

Table 1.2

Executive Engineer

Asst. Exe. Engineer (Works & Buildings)

Asst. Engr. Civil) 2
Asst. Engr. (Elect.) 2
Junior Engineers 5
P.W. Draughtsman 1
Horti. Asstt. 1
Electricians 2
Work Inspectors 4
Road Roller Drivers 1
Jeep Drivers (Jr.) 2
Tractor Driver 1
PWD Drivers 5
Matador/Tempo Driver 1
Watchmen 20
Gardeners 34
Gang Mazdoors 46
F.D.C. 2
S.D.C. 6
Peons 3

Junior Engineer 4
Electrical Supdt. 2
Rev. Inspector 1
Electricians 6
Water Supply Inspector 1
Meter Readers 12
Driver 1
Motor Mechanic 1
Tractor Driver 1
Delivery Peon 1
Fitters 5
Pump Driver 4
Pump Operator 1
Turn Cock 6
Fountain Cleaners 14
Watchmen 3
Water Supply Mazdoors 2

Superintendent

F.D.C. 1
S.D.C. 1
Typist 1
Peons 2

Town Planning Officer

Asst. Town Planning Officer 5
T.P. Building Draughtsman 1
T.P. Tracer 1
Encroachment Fee Collector 1

Ministerial Superintendent

S.D.C. 2
Jeep Driver 1
Peons 7
### ORGANISATION CHART OF HEALTH DEPARTMENT
MANGALORE CITY CORPORATION

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sanitary Insp. (Selection Gr.)</td>
<td>5</td>
</tr>
<tr>
<td>Sanitary Insp.</td>
<td>10</td>
</tr>
<tr>
<td>Health Asst.</td>
<td>12</td>
</tr>
<tr>
<td>Saintryakaistries</td>
<td>27</td>
</tr>
<tr>
<td>Drivers (Sr.)</td>
<td>2</td>
</tr>
<tr>
<td>Drivers (Jr.)</td>
<td>13</td>
</tr>
<tr>
<td>Dry Cleaners</td>
<td>12</td>
</tr>
<tr>
<td>Delivery Peons</td>
<td>1</td>
</tr>
<tr>
<td>Foura Karkikas</td>
<td>402</td>
</tr>
<tr>
<td>Supdt.</td>
<td>1</td>
</tr>
<tr>
<td>F.D.C.</td>
<td>3</td>
</tr>
<tr>
<td>S.D.C.</td>
<td>7</td>
</tr>
<tr>
<td>Typist</td>
<td>1</td>
</tr>
<tr>
<td>Peons</td>
<td>2</td>
</tr>
<tr>
<td>Medical Officers</td>
<td>7</td>
</tr>
<tr>
<td>Pharmacists</td>
<td>2</td>
</tr>
<tr>
<td>Compounders</td>
<td>5</td>
</tr>
<tr>
<td>Peons</td>
<td>7</td>
</tr>
<tr>
<td>L.K.G.</td>
<td>1</td>
</tr>
<tr>
<td>Health</td>
<td></td>
</tr>
<tr>
<td>Visitors</td>
<td>2</td>
</tr>
<tr>
<td>Maternity</td>
<td></td>
</tr>
<tr>
<td>Asst.</td>
<td>14</td>
</tr>
<tr>
<td>Maternity</td>
<td></td>
</tr>
<tr>
<td>Ayas</td>
<td>13</td>
</tr>
<tr>
<td>Watchman</td>
<td>1</td>
</tr>
<tr>
<td>Peon</td>
<td>1</td>
</tr>
<tr>
<td>Medical Attendant</td>
<td>1</td>
</tr>
<tr>
<td>Watchman for Burial &amp; Burning Grounds</td>
<td>3</td>
</tr>
<tr>
<td>Asst. Entomologist</td>
<td>1</td>
</tr>
<tr>
<td>Sak. Inspectors</td>
<td>5</td>
</tr>
<tr>
<td>Sr. Lab. Tech.</td>
<td>1</td>
</tr>
<tr>
<td>Field Asst.</td>
<td>4</td>
</tr>
<tr>
<td>Malaria Kaistry</td>
<td>1</td>
</tr>
<tr>
<td>Superior Field Workers</td>
<td>4</td>
</tr>
<tr>
<td>Insect Collectors</td>
<td>5</td>
</tr>
<tr>
<td>Tinsmith</td>
<td>1</td>
</tr>
<tr>
<td>Poura Karnikas</td>
<td>60</td>
</tr>
<tr>
<td>Store Keepers</td>
<td>2</td>
</tr>
<tr>
<td>Clerk-Typist</td>
<td>1</td>
</tr>
<tr>
<td>Peon</td>
<td>1</td>
</tr>
</tbody>
</table>
X. CORPORATION OF THE CITY OF MANGALORE – STAFF PATTERN

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Category (Post)</th>
<th>No. of sanctioned post</th>
<th>Scale of Pay</th>
<th>Remarks Scale of Pay 1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Commissioner</td>
<td>1</td>
<td>3650 - 4550</td>
<td>4200 - 6000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>K.A.S.</td>
<td>K.A.S. (Sr. Scale)</td>
</tr>
<tr>
<td>2.</td>
<td>Executive Engineer</td>
<td>1</td>
<td>3170 - 4430</td>
<td>3300 - 5300</td>
</tr>
<tr>
<td>3.</td>
<td>Health Officer</td>
<td>1</td>
<td>2200 - 4070</td>
<td>2375 - 4450</td>
</tr>
<tr>
<td>4.</td>
<td>Chief Accounts Officer</td>
<td>1</td>
<td>2200 - 4070</td>
<td>2375 - 4450</td>
</tr>
<tr>
<td>5.</td>
<td>Chief Auditor</td>
<td>1</td>
<td>2200 - 4070</td>
<td>2375 - 4450</td>
</tr>
<tr>
<td>6.</td>
<td>Special Land Acquisition Officer</td>
<td>1</td>
<td>2200 - 4070</td>
<td>2375 - 4450</td>
</tr>
<tr>
<td>7.</td>
<td>Council Secretary</td>
<td>1</td>
<td>2200 - 4070</td>
<td>2375 - 4450</td>
</tr>
<tr>
<td>8.</td>
<td>Woman Medical Officer</td>
<td>1</td>
<td>2200 - 4070</td>
<td>2375 - 4450</td>
</tr>
<tr>
<td>9.</td>
<td>Medical Officers (M.B.B.S.)</td>
<td>2</td>
<td>2200 - 4070</td>
<td>2375 - 4450</td>
</tr>
<tr>
<td>10.</td>
<td>Medical Officer (Unani)</td>
<td>1</td>
<td>1720 - 3170</td>
<td>1900 - 3700</td>
</tr>
<tr>
<td>11.</td>
<td>Medical Officer (Ayurvedic)</td>
<td>1</td>
<td>1720 - 3170</td>
<td>1900 - 3700</td>
</tr>
<tr>
<td>12.</td>
<td>Medical Officers (Ayurvedic)</td>
<td>3</td>
<td>1400 - 2750</td>
<td>1520 - 2900</td>
</tr>
<tr>
<td>13.</td>
<td>Assistant Executive Engineers (Public Works &amp; Water Supply &amp; drainage)</td>
<td>2</td>
<td>1900 - 3650</td>
<td>2050 - 3750</td>
</tr>
<tr>
<td>14.</td>
<td>Revenue Officer</td>
<td>1</td>
<td>1900 - 3650</td>
<td>2050 - 3950</td>
</tr>
<tr>
<td>15.</td>
<td>Town Planning Officer</td>
<td>1</td>
<td>1900 - 3650</td>
<td>2050 - 3950</td>
</tr>
<tr>
<td>16.</td>
<td>Assistant Engineer (Civil)</td>
<td>1</td>
<td>1720 - 3170</td>
<td>1900 - 3700</td>
</tr>
<tr>
<td>17.</td>
<td>Assistant Engineer (Electrical)</td>
<td>1</td>
<td>1720 - 3170</td>
<td>1900 - 3700</td>
</tr>
<tr>
<td>18.</td>
<td>Manager</td>
<td>1</td>
<td>1720 - 3170</td>
<td>1900 - 3700</td>
</tr>
<tr>
<td>19.</td>
<td>Assistant Entomologist</td>
<td>1</td>
<td>1720 - 3170</td>
<td>1900 - 3700</td>
</tr>
<tr>
<td>20.</td>
<td>Panchayath Superintendent</td>
<td>1</td>
<td>1720 - 3170</td>
<td>1900 - 3700</td>
</tr>
<tr>
<td>21.</td>
<td>Superintendents</td>
<td>7</td>
<td>1600 - 2990</td>
<td>1720 - 3300</td>
</tr>
<tr>
<td>22.</td>
<td>Superintendents (Accounts)</td>
<td>2</td>
<td>1600 - 2990</td>
<td>1720 - 3300</td>
</tr>
<tr>
<td>23.</td>
<td>Superintendents (Accounts) (Temporary)</td>
<td>1</td>
<td>1600 - 2990</td>
<td>1720 - 3300</td>
</tr>
<tr>
<td>24.</td>
<td>Secretary to Commissioners</td>
<td>1</td>
<td>1600 - 2990</td>
<td>1720 - 3300</td>
</tr>
<tr>
<td>25.</td>
<td>Accountant</td>
<td>1</td>
<td>1280 - 2450</td>
<td>1400 - 2675</td>
</tr>
<tr>
<td>26.</td>
<td>Asst. Town Planning Officer</td>
<td>4</td>
<td>1400 - 2750</td>
<td>1520 - 2900</td>
</tr>
<tr>
<td>27.</td>
<td>Draftsmen</td>
<td>2</td>
<td>1400 - 2750</td>
<td>1520 - 2900</td>
</tr>
<tr>
<td>28.</td>
<td>Town Planning &amp; Building Draftsman (redesignated as A.T.P.O.)</td>
<td>1</td>
<td>1400 - 2750</td>
<td>1520 - 2900</td>
</tr>
<tr>
<td>29.</td>
<td>Junior Engineers</td>
<td>8</td>
<td>1400 - 2750</td>
<td>1520 - 2900</td>
</tr>
<tr>
<td>30.</td>
<td>Electrical Superintendents</td>
<td>3</td>
<td>1400 - 2750</td>
<td>1520 - 2900</td>
</tr>
<tr>
<td></td>
<td>Position</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>----------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>31.</td>
<td>Assistant Health Officers (Non-Medical)</td>
<td>2</td>
<td>1400-2750</td>
<td>1520-2900</td>
</tr>
<tr>
<td>32.</td>
<td>Asst. Health Officers (Non-Medical)</td>
<td>3</td>
<td>1400-2750</td>
<td>1520-2900</td>
</tr>
<tr>
<td>33.</td>
<td>Health Visitors</td>
<td>2</td>
<td>1400-2750</td>
<td>1520-2900</td>
</tr>
<tr>
<td>34.</td>
<td>Sanitary Inspectors</td>
<td>15</td>
<td>1280-2450</td>
<td>1400-2675</td>
</tr>
<tr>
<td>35.</td>
<td>First Division Clerks</td>
<td>22</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>36.</td>
<td>First Division Clerks (Land Acquisition)</td>
<td>3</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>37.</td>
<td>First Division Clerks (S.A.D.)</td>
<td>4</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>38.</td>
<td>First Division Clerks (Temporary)</td>
<td>4</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>39.</td>
<td>Store Keepers (N.F.C.P.)</td>
<td>2</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>40.</td>
<td>Senior Grade Stenographers</td>
<td>2</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>41.</td>
<td>Stenographers (Jr.)</td>
<td>2</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>42.</td>
<td>Revenue Inspectors (WS)</td>
<td>10</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>43.</td>
<td>Meter Inspectors (WS)</td>
<td>3</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>44.</td>
<td>Senior Laboratory Technician</td>
<td>1</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>45.</td>
<td>First Division Surveyor (special land acquisition)</td>
<td>1</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>46.</td>
<td>Translator</td>
<td>1</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>47.</td>
<td>Senior Typist</td>
<td>2</td>
<td>1190-2200</td>
<td>1280-2375</td>
</tr>
<tr>
<td>48.</td>
<td>Horticultural Assistant</td>
<td>1</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>49.</td>
<td>Electricians</td>
<td>8</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>50.</td>
<td>Health Assistants</td>
<td>12</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>51.</td>
<td>Pharmacists</td>
<td>4</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>52.</td>
<td>Maternity Assistants</td>
<td>14</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>53.</td>
<td>Senior Drivers</td>
<td>4</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>54.</td>
<td>Water Inspector</td>
<td>1</td>
<td>1040-1900</td>
<td>1130-2100</td>
</tr>
<tr>
<td>55.</td>
<td>Store Keeper</td>
<td>1</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>56.</td>
<td>II Dn. Surveyors</td>
<td>2</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>57.</td>
<td>Second Division Clerks</td>
<td>90</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>58.</td>
<td>Typists</td>
<td>6</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>59.</td>
<td>Clerk-cum-Typist</td>
<td>2</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>60.</td>
<td>Meter Readers</td>
<td>12</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>61.</td>
<td>Bill Collectors</td>
<td>32</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>62.</td>
<td>T.P. tracer</td>
<td>1</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>63.</td>
<td>Compounders</td>
<td>3</td>
<td>960-1760</td>
<td>1040-1900</td>
</tr>
<tr>
<td>64.</td>
<td>Drivers</td>
<td>19</td>
<td>870-1600</td>
<td>940-1680</td>
</tr>
<tr>
<td>65.</td>
<td>Jamadars</td>
<td>2</td>
<td>810-1310</td>
<td>870-1520</td>
</tr>
<tr>
<td>66.</td>
<td>Daffedar</td>
<td>1</td>
<td>810-1310</td>
<td>870-1520</td>
</tr>
<tr>
<td>67.</td>
<td>Attendees</td>
<td>4</td>
<td>810-1310</td>
<td>870-1520</td>
</tr>
<tr>
<td>No.</td>
<td>Group</td>
<td>Strength</td>
<td>Grade 1</td>
<td>Grade 2</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------------</td>
<td>----------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>68.</td>
<td>68.Book-Binder</td>
<td>1</td>
<td>810-1310</td>
<td>870-1520</td>
</tr>
<tr>
<td>69.</td>
<td>Jr.Bill Collectors</td>
<td>5</td>
<td>810-1310</td>
<td>870-1520</td>
</tr>
</tbody>
</table>
| 70. | Clerk-cum-Bill Collectors                   | 7        | 810-1310| Converted to Sr. Bill C's and sanctioned the pay scale Rs.960-1760(1987) (C.R. No.344/92-92 dt. 25.2.92 (Ref.C1/3266/91-92 dt.9-4-92 & 2-7-94)
| 71. | Works Inspectors                            | 20       | 810-1310|         |
| 72. | Meter Mechanic                              | 1        | 810-1310|         |
| 73. | Fitters                                    | 4        | 810-1310| 870-1520|
| 74. | Pump Drivers                                | 3        | 810-1310| 870-1520|
| 75. | Pump Operators                              | 18       | 810-1310| 870-1520|
| 76. | Sanitary Maisters                           | 26       | 810-1310| 870-1520|
| 77. | Malaria Maistry                             | 1        | 810-1310| 870-1520|
| 78. | Field Assistants (N.F.C.P.)                 | 4        | 810-1310| 870-1520|
| 79. | Head Gardener                               | 1        | 810-1310| 870-1520|
| 80. | Electrical Helper                           | 4        | 810-1310| 870-1520|
| 81. | Watchman                                    | 35       | 780-1040| 840-1340|
| 82. | Peons                                       | 54       | 780-1040| 840-1340|
| 83. | Chainman                                    | 8        | 780-1040| 840-1340|
| 84. | Mazdoor                                     | 63       | 780-1040| 840-1340|
| 85. | Gardners/Avenue Coolies                     | 30       | 780-1040| 840-1340|
| 86. | Pump Cleaners                               | 13       | 780-1040| 840-1340|
| 87. | Fountain Cleaners                           | 12       | 780-1040| 840-1340|
| 88. | Turn                                        | 13       | 780-1040| 840-1340|
| 89. | Lorry Cleaners                              | 12       | 780-1040| 840-1340|
| 90. | Maternity Ayah                              | 13       | 780-1040| 840-1340|
| 91. | Superior Field Worker (N.F.C.P.)            | 4        | 780-1040| 840-1340|
| 92. | Insect Collectors (N.F.C.P.)                | 5        | 780-1040| 840-1340|
| 93. | Tin Smith (N.F.C.P.)                        | 1        | 780-1040| 840-1340|
| 94. | Chowkidar (N.F.C.P.)                        | 1        | 780-1040| 840-1340|
| 95. | Fieldmen (N.F.C.P.)                         | 60       | 780-1040| 840-1340|
| 96. | Powra Karmikas                              | 359      | 780-1040| 840-1340|
| 97. | Fee Collectors                              | 23       | 810-1310| 870-1520|
### THE ADDITIONAL POSTS CREATED BY THE CORPORATION COUNCIL

<table>
<thead>
<tr>
<th>Posts Sanctioned</th>
<th>No.</th>
<th>Pay Scale</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Inspectors</td>
<td>4</td>
<td>1280 - 2400</td>
<td>The Council in its Res. No.212/91-92 dated 29.11.91 has sanctioned the proposal of creation on 4 addl. posts of Health Inspectors on permanent basis.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1280 - 2645</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1994)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1400 - 2750</td>
<td>The Council in its Res. No.213/91-92 dated 29.11.91 has sanctioned 2 addl. posts of J.Es. for extended area trained in P.I.E.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1520 - 2900</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1994)</td>
<td></td>
</tr>
<tr>
<td>Junior Engineers</td>
<td>2</td>
<td>960 - 1760</td>
<td>The Council in its Res. No. 73/91-92 dated 25-6-91 sanctioned one post of Sargent (Bus stand).</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus Stand Sargent</td>
<td>1</td>
<td>490 - 9501 (1982)</td>
<td>Council in its Res. No.423/86-87 has sanctioned the post on permanent basis.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>960 - 1760 (1987)</td>
<td></td>
</tr>
<tr>
<td>Operator-cum-Receptionists</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
I. As per approval of the Government in Order No. HUD 66 MMC 92 dated 28-8-93 regularised the services of 124 daily wage workers.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category</th>
<th>No. of persons</th>
<th>Scale of Pay</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Literate Assistant (inn the post of S.D.Asstt.)</td>
<td>7</td>
<td>960 - 1700</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Electricians</td>
<td>3</td>
<td>1040 - 1900</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Electrical Helpers</td>
<td>10</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Pump Operator-cum-Cleaners</td>
<td>35</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Cleaners</td>
<td>7</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Mechanic</td>
<td>1</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Watchman</td>
<td>6</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Cleaner (Road Roller)</td>
<td>2</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Drivers</td>
<td>3</td>
<td>960 - 1760</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Gang Mazdoors</td>
<td>20</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Gardners</td>
<td>14</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Fee Collectors (Market)</td>
<td>16</td>
<td>780 - 1040</td>
<td></td>
</tr>
</tbody>
</table>

II. Government in its Order No. HUD 41 MMC 91 dated 13-10-93, sanctioned the posts for one year (For the maintenance of the Swimming Pool)

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category</th>
<th>No. of persons</th>
<th>Scale of Pay</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Life Guards</td>
<td>2</td>
<td>810 - 1310</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Helpers</td>
<td>2</td>
<td>780 - 1040</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Plant Operator</td>
<td>1</td>
<td>780 - 1040</td>
<td></td>
</tr>
</tbody>
</table>
III. Mangalore Under Ground Drainage system has been taken over by the City Corporation, Mangalore on 20-1-94 from K.U.N.S.D. Board. The Additional staff required for the maintenance of the Drainage System

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category</th>
<th>No. of persons</th>
<th>Scale of Pay</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Pump Operators</td>
<td>8</td>
<td>1040-1900</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Pump Operators (Jr. Scale)</td>
<td>16</td>
<td>810-1310</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Helpers</td>
<td>24</td>
<td>780-1040</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Sanitary Workers</td>
<td>53</td>
<td>780-1040</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Mechanic</td>
<td>2</td>
<td>960-1760</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Electricians</td>
<td>2</td>
<td>1040-1900</td>
<td>C1/20121/91-92</td>
</tr>
<tr>
<td>7.</td>
<td>Work Inspectors (Gr.I)</td>
<td>4</td>
<td>1040-1900</td>
<td>dated 21-6-93</td>
</tr>
<tr>
<td>8.</td>
<td>Junior Engineer</td>
<td>2</td>
<td>1400-2750</td>
<td>(Council Ref. No.71/93-94)</td>
</tr>
<tr>
<td>9.</td>
<td>First Division Asst.</td>
<td>1</td>
<td>1190-2200</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Ground Division Asst.</td>
<td>3</td>
<td>960-1700</td>
<td></td>
</tr>
</tbody>
</table>
XI. DETAILS OF MUNICIPAL SERVICES WHERE THE PRIVATE SECTOR HAS BEEN INVOKED IN THE COUNTRY FOR DELIVERY OF SERVICES

<table>
<thead>
<tr>
<th>Name of State Govt./ Municipality</th>
<th>Name of Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSAM</td>
<td></td>
</tr>
</tbody>
</table>
| 1. Guwahati Municipal Corporation| i) Conservancy and drain cleaning  
                           ii) Garbage disposal  
                           iii) Collection of Entry Tax / Park charges  
                           iv) Revenue collection of markets  
                           v) Survey, investigation & preparation of project report |
| BIHAR                            |                  |
| 2. Jamshedpur Notified Area Committee| All Municipal Services within the NAC are being rendered by the Tata Iron and Steel Company on their own cost. Contract system for sanitation is being introduced. Tenders have been called for, but no final decision has been taken. |
| 3. Patna Municipal Corporation    |                  |
| 4. Ranchi Municipal Corporation   | i) Efforts are being taken for street lighting by Private Sector for the entire town in lieu of advertisement rights.  
                           ii) Beautification of a Lake and beautification of various other city ponds.  
                           iii) Bus terminus. |
| GUJARAT                          |                  |
| 5. Ahmedabad Municipal Corporation| i) Solid Waste Management on contract basis.  
                           ii) Watch and Ward Security arrangement on contract basis.  
                           iii) Road construction / road resurfacing.  
                           iv) Computerisation of taxes and pay bills.  
                           v) Development of plots by Private contractors in lieu of transfer of rights of some |
<table>
<thead>
<tr>
<th>No.</th>
<th>Organization</th>
<th>Services</th>
</tr>
</thead>
</table>
| 6.  | Rajkot Municipal Corporation          | i) Civil works involving an expenditure of more than Rs. 25,000/- is contracted out by inviting tenders.  
|     |                                       | ii) Solid Waste disposal by inviting Tenders.  
|     |                                       | iii) Street lighting on contract basis.  
|     |                                       | iv) Maintenance of gardens on contract basis.  
|     |                                       | vi) Maintenance of government vehicles by private garages. |
|     |                                       | ii) Removal of dead carcasses through contractors.  
|     |                                       | iii) Land development through private developers and colonisers.  
|     |                                       | iv) Development of parks and round-about and their maintenance.  
|     |                                       | v) Maintenance of libraries and sports complexes.  
|     |                                       | vi) Construction and maintenance of toilets through Sulabh International. |
| 8.  | Hubli-Dharwar Municipal Corporation    | i) Sanitation of main market areas on contract basis.  
|     |                                       | ii) Garbage removal in a limited way.  
|     |                                       | iii) Maintenance of parks, pay and use toilets, parking places and milk market.  
<table>
<thead>
<tr>
<th>KERALA</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Cochin Municipal Corporation</td>
</tr>
<tr>
<td>i) Garbage collection through private agencies.</td>
</tr>
<tr>
<td>ii) Mosquitoes control operation by private participation.</td>
</tr>
<tr>
<td>iii) Construction and maintenance of traffic islands and roads by</td>
</tr>
<tr>
<td>private agencies.</td>
</tr>
<tr>
<td>iv) Construction of roads by Public Sector undertakings.</td>
</tr>
<tr>
<td>v) Construction of bus shelters by private parties.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>MAHARASHTRA</td>
</tr>
<tr>
<td>11. Aurangabad Municipal Corporation</td>
</tr>
<tr>
<td>i) Beautification of traffic islands.</td>
</tr>
<tr>
<td>ii) Pay &amp; Use Toilets.</td>
</tr>
<tr>
<td>12. New Bombay (CIDCO)</td>
</tr>
<tr>
<td>i) Public health through contractors.</td>
</tr>
<tr>
<td>ii) Maintenance of STP, sewerage pump houses to private parties by</td>
</tr>
<tr>
<td>tenders.</td>
</tr>
<tr>
<td>iii) Collection of CIDCO's dues through Senior Citizens' Club.</td>
</tr>
<tr>
<td>iv) Maintenance of water supply system through private agencies.</td>
</tr>
<tr>
<td>v) Development of parks, gardens and traffic islands through private</td>
</tr>
<tr>
<td>companies, institutions and social organisations at their own cost.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>13. Greater Bombay</td>
</tr>
<tr>
<td>i) Solid Waste collection and transportation-part contracting.</td>
</tr>
</tbody>
</table>
| ii) Beautification of parks and
<table>
<thead>
<tr>
<th></th>
<th>Kalyan Municipal Corporation</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>iii) Mid-day meals in schools.</td>
<td>iv) Public Health - part</td>
<td>contracting.</td>
</tr>
<tr>
<td></td>
<td>v) Slums development programme.</td>
<td>vi) Planning for sub-ways in</td>
<td>future by including shopping centres.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>i) Solid Waste Conversion project.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ii) Auditorium and shopping complex through private builders.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>iii) Maintenance of parks, traffic islands, Pay &amp; Use Toilets.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kalyan Municipal Corporation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Following services contracted out:-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Beautification of traffic islands and gardens.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) PSC blocks</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Parking lots.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Slums improvement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>v) Garbage removal services.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**MADHYA PRADESH**

<table>
<thead>
<tr>
<th></th>
<th>Durg Municipal Corporation</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Suggested for privatisation of following services:-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Garbage disposal.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Recovery of revenue.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Maintenance of gardens.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PUNJAB**

<table>
<thead>
<tr>
<th></th>
<th>Amritsar Municipal Corporation</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Efforts have been taken for privatisation of following services:-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Cleaning of streets.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Garbage disposal.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Construction of roads.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Maintenance of parks and gardens.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Ludhiana Municipal Corporation</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Following services being privatised:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Garbage collection.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Sewarage cleaning.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Maintenance of parks.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Jalandhar Municipal Corporation</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Privatisation has been experimented on a very limited scale in respect of following services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Garbage disposal.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Maintenance of traffic islands.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>RAJASTHAN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---------------------------------------------------------------------------</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Cleaning of drainage.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
   |                             | ii) Public latrines.  
   |                             | iii) Maintenance of parks.  
   |                             | iv) Maintenance of roads, streets etc. |
# XII. General Identification of Subject Areas for Training and Target Groups

<table>
<thead>
<tr>
<th>COURSES</th>
<th>PARTICIPANTS</th>
<th>SUBJECT AREAS</th>
<th>DURATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation Management</td>
<td>Engineers Architects, Planners, Finance Executives, Sociologists, Economists, General Manager Specialists (including Law Executives, Administrators)</td>
<td>Performance Monitoring Operating Budgets Cost Recovery Personnel Management Service Contracting Public Private Partnership</td>
<td>1-2 Weeks</td>
</tr>
<tr>
<td>-------------------------</td>
<td>------------------------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>

Executives at Senior, Middle and Junior Levels in Specialised Housing Agencies, Development Authorities Sector Institutions, Urban Local Bodies (such as Municipal Commissioners / Chief Officers; revenue officers; sanitary officers; engineers (asst. engineers), Presidents of Municipal Councils, Chairmen of working and standing committees).

IIP = Integrated Infrastructure Planning & Programming;  
IDSMT = Integrated Development Small and Medium Towns.
### XIII. STRENGTH AND CATEGORY OF URBAN MUNICIPAL PERSONNEL

<table>
<thead>
<tr>
<th>STATE</th>
<th>ACTUAL AS REPORTED</th>
<th>ESTIMATED</th>
<th>SENIOR</th>
<th>BREAK-UP IN LEVELS</th>
<th>STAFF TO BE TRAINED</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANDHRA PRADESH</td>
<td>68,129</td>
<td>68,129</td>
<td>584</td>
<td>2,335 17,519 47,691</td>
<td>20,438</td>
</tr>
<tr>
<td>ASSAM</td>
<td>3,899</td>
<td>3,899</td>
<td>57</td>
<td>172 1,360 2,310</td>
<td>1,589</td>
</tr>
<tr>
<td>BIHAR</td>
<td>45,368</td>
<td>45,368</td>
<td>250</td>
<td>504 2,080 42,434</td>
<td>2,954</td>
</tr>
<tr>
<td>GUJARAT</td>
<td>55,786</td>
<td>55,786</td>
<td>502</td>
<td>753 7,748 46,783</td>
<td>9,003</td>
</tr>
<tr>
<td>HARYANA</td>
<td>4,380</td>
<td>4,380</td>
<td>38</td>
<td>163 1,126 3,066</td>
<td>1,314</td>
</tr>
<tr>
<td>HIMACHAL PRADESH</td>
<td>1,260</td>
<td>1,260</td>
<td>11</td>
<td>43 324 882</td>
<td>378</td>
</tr>
<tr>
<td>JAMMU &amp; KASHMIR</td>
<td>1,830</td>
<td>1,830</td>
<td>16</td>
<td>63 470 1,281</td>
<td>549</td>
</tr>
<tr>
<td>KARNATAKA</td>
<td>18,546</td>
<td>18,546</td>
<td>182</td>
<td>538 1,809 16,017</td>
<td>2,529</td>
</tr>
<tr>
<td>KERALA</td>
<td>6,960</td>
<td>6,960</td>
<td>60</td>
<td>239 1,789 4,872</td>
<td>2,088</td>
</tr>
<tr>
<td>MADHYA PRADESH</td>
<td>14,850</td>
<td>14,850</td>
<td>137</td>
<td>509 3,819 10,395</td>
<td>4,455</td>
</tr>
<tr>
<td>MAHARASHTRA</td>
<td>2,30,113</td>
<td>2,30,113</td>
<td>2,070</td>
<td>8,283 58,680 1,61,080</td>
<td>69,033</td>
</tr>
<tr>
<td>NORTH EAST STATES</td>
<td>2,070</td>
<td>2,070</td>
<td>18</td>
<td>71 532 1,449</td>
<td>621</td>
</tr>
<tr>
<td>ORISSA</td>
<td>1,452</td>
<td>1,452</td>
<td>19</td>
<td>86 1,347 N.A.</td>
<td>1,452</td>
</tr>
<tr>
<td>PUNJAB</td>
<td>8,730</td>
<td>8,730</td>
<td>75</td>
<td>299 2,245 6,111</td>
<td>2,619</td>
</tr>
<tr>
<td>RAJASTHAN</td>
<td>23,745</td>
<td>23,745</td>
<td>201</td>
<td>805 6,296 16,443</td>
<td>7,302</td>
</tr>
<tr>
<td>UTTAR PRADESH</td>
<td>72,523</td>
<td>72,523</td>
<td>245</td>
<td>550 2,633 69,095</td>
<td>3,428</td>
</tr>
<tr>
<td>TAMIL NADU</td>
<td>29,640</td>
<td>29,640</td>
<td>254</td>
<td>1,016 7,622 20,748</td>
<td>8,892</td>
</tr>
<tr>
<td>WEST BENGAL</td>
<td>17,290</td>
<td>17,290</td>
<td>738</td>
<td>2,335 14,217 N.A.</td>
<td>17,290</td>
</tr>
<tr>
<td>UNION TERRITORIES</td>
<td>1,15,400</td>
<td>1,15,400</td>
<td>989</td>
<td>3,957 29,674 80,780</td>
<td>34,620</td>
</tr>
<tr>
<td>GOA</td>
<td>979</td>
<td>979</td>
<td>4</td>
<td>22 349 604</td>
<td>375</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>COL 2+3</strong></td>
<td><strong>7,22,580</strong></td>
<td><strong>6,440</strong></td>
<td><strong>22,730 1,77,198 5,32,041</strong></td>
<td><strong>1,95,122</strong></td>
</tr>
</tbody>
</table>