

# **A Study to Qualitatively Assess the Capacity Building Needs of Urban Local Bodies (ULBs)**

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**Final Report**

**Sponsored by:  
Research Division, NITI Aayog,  
Government of India**

**Conducted by :**



**August, 2015**



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***Secretarial Support***

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**LIST OF ACRONYMS**

AIILSG	All India Institute for Local Self Government
ATI	Administrative Training Institute
CAA	Constitutional Amendment Act
CB	Capacity Building
CBUD	Capacity Building for Urban Development
CBULB	Capacity Building for Urban Local Bodies
CE	City Engineer
CEPT	Centre for Environmental Planning and Technology
CFO	Chief Financial Officer
CHO	Chief Health Officer
DFID	Department for International Development
DPR	Detailed Project Report
HPEC	High Powered Expert Committee
IIPA	Indian Institute of Public Administration
JNNURM	Jawaharlal Nehru Urban Renewal Mission
MC	Municipal Corporation
MDDA	Mussoorie-Dehradun Development Authority
M-I-C	Mayor-in-Council
NEERI	National Environmental Engineering Research Institute
NIT	Nagpur Improvement Trust
NIUA	National Institute of Urban Affairs

NMC	Nagpur Municipal Corporation
OSD	Officer on Special Duty
PEARL	Peer Experience and Reflective Learning
PIU	Programme Implementation Unit
PMC	Patna Municipal Corporation
PPP	Public Private Partnerships
RCUES	Regional Centre for Urban Environmental Studies
SER	Socio-Economic Research
SMC	Surat Municipal Corporation
SPIPA	Sardar Patel Institute of Public Administration
TOT	Training of Trainers
TSC	Tender Scrutiny Committee
UA	Urban Area

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## EXECUTIVE SUMMARY

### ***Introduction:***

Managing efficient urbanisation is critical for ensuring that India remains on high growth trajectory and such growth is sustainable as well as inclusive. Cities as agencies through which development objectives can be met was realised post the 74<sup>th</sup> Constitutional Amendment and with the launch of Jawaharlal Nehru Urban Renewal Mission (JNNURM). As the structural transformation of Indian economy is underway which essentially means inter-alia a significant shift in its occupational structure in favour of non-farm employment, managing Indian urban space has emerged as a key priority area for all the stakeholders, to make cities as engines of economic growth. The intent of the 74<sup>th</sup> Constitutional Amendment Act can be realized only through the implementation of certain governance, institutional, financial and administrative reforms, which will pave the way for enhancing service delivery and effective local governance. All of this will be realised with effective capacity building of the stakeholders involved in achieving the same. Local governments have to be enabled to respond to challenges faced in the wake of increasing impetus being given to the urban sector.

In order to assess the capacity building needs of the ULBs, the erstwhile Planning Commission, Government of India assigned a research study on 'A study to qualitatively assess the capacity building needs of Urban Local Bodies' to National Institute of Urban Affairs, New Delhi under its Socio-Economic Research (SER) scheme. The study aimed at conducting a reality check on the functioning of urban local bodies by interviewing all the major stakeholders. These discussions helped in assessing the status of capacity building efforts in the ULBs, identifying the challenges faced in implementing such efforts and accordingly proposing measures to build the comprehensive capacity of ULBs.

### ***Methodology:***

The study intends to focus on qualitative research based on interviews and group discussions with the State and local government functionaries, elected representatives, bureaucrats as well as informed citizens and NGOs. It was administered through detailed questionnaires, which varied among the different categories of respondents while certain questions were common to all the important stakeholders. The study has covered 6 cities - Chandigarh, Indore, Mussoorie, Nagpur, Patna and Surat, selected on the basis of geographical categories as also their status in terms of capacity to handle the increasing pressure on urban sector to improve livability in cities. Visits to the 6 cities

ULBs were made and detailed discussion was held with officials as well as elected representatives. Commissioners/ Deputy Commissioners, Mayors/ Deputy Mayors, as well as heads of departments and other elected representatives made up the respondents.

***Findings:***

Experience from around the country suggests that urban local bodies in India need to invest in systematic knowledge management. Rather than depending solely on capacity building activities that target individual capacity, *the ULB should pursue institutionalization of the capacity that is created.* **There is a need to include governance reforms within urban local bodies to complement capacity building initiatives so that the knowledge can be sustained in the mid- to long-run. Thus there is a need to put in place knowledge interventions that can create a lasting impact.**

The most pressing issues which cut across all the cities range from discord in functional relations between the ULBs and states, acute shortage of staff (technical and general) at all levels, frequent transfer of officers, lack of state level resource institutions which would be better equipped to handle local needs (with most capacity building efforts not based on demand but routine ad-hoc trainings) and absence of dedicated municipal cadre.

The specific capacity gaps identified, though varying widely across ULBs, can be grouped under 3 heads. These are:

- (a) Inadequate skills and capacity of the present personnel at all levels.**
- (b) Limited availability of personnel with adequate skill sets to execute projects in a sustainable manner and**
- (c) Absence of suitable institutional framework for supporting continuous skill up gradation etcetera.**

***Recommendations:***

The capacity building of the Urban Local Bodies has to be carried out in a phased manner and includes short term and long-term strategies. While empowerment of city level Government remains to be a challenge despite this being one of the most important reforms mandated by JNNURM, of particular difficulty is to ensure that ULBs have adequate staff with requisite skill set.

The short-term measures for capacity building basically would include creating enabling framework for the ULBs to hire required persons from market and to provide funds for this purpose. The other short term measures may include consolidating information on available training modules, identifying individual trainers and institutions and conducting training programmes for ULBs. Induction training for key policy makers and administrators on Urban Management shall be encouraged at all levels.

For long-term measures, the broad policy framework of the Ministry for capacity building is to ensure creation of municipal cadre and to strengthen the institutional arrangements, which includes involvement of private institutions, encouraging academic and professional institutions to introduce courses for urban managers, enabling conditions for creating a professional cadre etc.

There is a need for a Vision and Framework at City, State and National level.

At the **ULB level**, some of the city specific suggestions, which arose through the discussions, were:

- Much of the current training programs, which focus on technical aspects, should be demand driven and customised to suit the target groups.
  - Subjects like urban planning, land use and socio economic development should be transferred to the city governments as mandated in the 74th Constitutional Amendment Act.
  - Balance of power (roles and responsibilities) should be equal between elected wing and executive wing. This will ensure better working together towards a common development goal of the city.
  - Roles and responsibilities need to be defined at all levels leading to lessening of overlapping functions. Enhancing capacity of 2nd and 3rd tier level officers through proper training will only ensure responsibility and accountability in delivery of functions.
  - All capacity building efforts should be addressed through proper resource persons and it should be designed towards practical knowledge and sustainability.
  - Cadre structure in municipal services to include municipal services, accounting services, revenue services, personnel services, etcetera, should be urgently implemented.
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- A self-assessment of the Corporation as a mechanism for effective governance needs to be ensured periodically to improve performance and service delivery.
- A need for an urban sector specialist to be deputed in the Nagar Nigam is felt. If the planning process in the urban sector is strengthened governance will improve on its own.

At the **State level**, interventions include:

- Setting up new Institutions where required or strengthening existing institutes of urban management;
- Making mandatory preparation of a state level capacity building plan as this will help identify the capacity gaps and needs for the state and evolve a strategy for CB;
- Making preparation of ULB level training need assessment plan mandatory, which will be amalgamated or feed in to the state level CB strategy etcetera.

At the **Central level** the framework for capacity building can be put in place through a combination of long-term measures such as:

- Creation of a separate division or cell for CB at the central level as dedicated leadership is essential for large scale capacity building programmes to succeed;
  - Broad policy framework for CB to strengthen the institutional arrangements including involvement of private institutions, encouraging academic and professional institutions to introduce courses for urban managers etcetera;
  - Comprehensive HR strategies at central and state level;
  - Creating a municipal cadre and providing administrative and training support for it.
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## CHAPTER 1 INTRODUCTION

### 1.1 *Background*

Capacity Building for better cities is the effort to strengthen and improve the abilities of personnel and organizations to be able to perform their tasks in a more effective, efficient and sustainable manner. It needs to be appreciated that capacity building is a long term and ongoing effort which needs to be institutionalized in the planning and implementation process starting from the ULB to state to the central level programs. Capacity Building needs to be a continuous and ongoing initiative whose aim is to improve and facilitate the skill sets and processes involving human and other perceivable inputs. There is a need to calibrate and benchmark continuously against measurable indicators over a period of time in order to make course corrections to achieve the desired results.<sup>1</sup>

The Planning Commission, Government of India has assigned a research study on 'A study to qualitatively assess the capacity building needs of Urban Local Bodies' to National Institute of Urban Affairs, New Delhi under its Socio-Economic Research (SER) scheme. The study was conducted in six cities, viz., Chandigarh, Indore, Mussoorie, Nagpur, Patna and Surat.

### 1.2 *Context*

Report of the High Power Executive Committee (HPEC,2011) estimated that by 2031, India will have more than 87 metropolitan areas and the country's urban population is likely to soar to over 600 million, adding about 225 million people to present urban population. Direct migration to urban areas also accounts for 20 to 25 percent of the increase in urban population. This pace and scale of urbanisation is unprecedented for India and will be the fastest in the world outside of China.<sup>2</sup>

In order to understand the context of Capacity Building, three broad categories need to be highlighted:

- Human capacity -Skills and competencies of individuals.
- Organizational capacity –Organizations or groups of individuals bound by a common purpose, with clear objectives and the internal structures, processes,

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<sup>1</sup>September 2011 Report of the Working Group on Capacity Building for the Twelfth Plan

<sup>2</sup>High Powered Expert Committee (HPEC) Report, 2011

systems, staffing, and other resources to achieve them. They have capabilities to do certain things such as manage people, carry out customer research, account for the use of monies, etcetera. These capabilities are thus the building blocks of any organization's overall capacity to perform. The organizational framework determines how individual capacities are deployed and combined. This includes the organizational structure, the quality of management and the modes of working.

- Institutional capacity - Organizations operate in a wider institutional environment that either may support or circumvent their ability to carry out its formal collective goals. The institutional framework includes the organization's mandate, incentives for performance, structures of accountability, and operating rules. (DFID, 2006). Institutions are both formal and informal. Formal institutions include the legal system, property rights and relationship of the executive to the legislature etc. Informal institutions are the norms and values that influence individual and collective behavior. In broader terms, these institutions set up the 'rules of the game'.<sup>3</sup>

### **Need of the study:**

Cities as agencies through which development objectives can be met was realised post 74<sup>th</sup> Constitutional Amendment and with the launch of Jawaharlal Nehru Urban Renewal Mission (JNNURM). Since then all round efforts are being made to promote cities as engines of economic growth. The 74<sup>th</sup> constitutional amendment act (CAA) envisaged creation of vibrant urban local bodies, which would be empowered with funds, functions and functionaries. The intent of the 74<sup>th</sup> CAA can be realized only through the implementation of certain governance, institutional, financial and administrative reforms which will pave the way for enhancing service delivery and effective local governance. All of this will be realised with effective capacity building of the stakeholders involved in achieving the same. Local governments have to be enabled to respond to challenges faced in the wake of increasing impetus being given to the urban sector.

The need for central assistance was highlighted in the observations contained in the Report on the Mid-term Appraisal of the Eleventh Five Year Plan (2010) which said that *"so far central assistance has been directed towards the hard infrastructure while improvements in the soft infrastructure have been stated as conditions for the cities and states to satisfy mostly on their own. Much more emphasis should now be on proactive assistance to cities and states to build their soft infrastructure"*. The report identifies governance, financing, planning, professionalization of service delivery and

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<sup>3</sup>Teskey, 2005

accelerating the development of local capacity and knowledge as key buildings blocks to strengthen the urban sector reforms process and improve capacities for management and local governance. The HPEC Report on Urban Infrastructure and Services(2011) has pointed out that JNNURM provided for capacity building on demand and found few takers. The time available before the launch of the successor to the JNNURM should be used by the Government of India to help the states and ULBs to rebuild the basic structures of local government institutions by putting staff in place and by preparing the groundwork for training.

### **1.3** *Issues*

Most recent documents highlighting this issue have established the fact that the major constraint in the area of Capacity Building is the lack of explicit demand. For a long time, Capacity Building has been accorded very low priority and has largely limited to administrative training. Demand is limited, sporadic and event based with no evidence of systematic planning, resource allocation or execution of skill enhancement programmes. Most states and ULBs lack an Organizational Development Strategy. Absence of formal structures, comprehensive cadre and cadre rules, staffing norms, procedures, job descriptions, pay scales, introduction of new technologies, etc. only add to the above. Shared norms and values amongst staff, commitment to vision and mission, management styles and budgetary support are also low. Communication channels with the private sector and civil society are not very effective. Issues such as autonomy to plan and govern cities, professional skills (technical and managerial) needed for city management, skill development of cutting edge staff, capacity building of elected representatives has been paid scant attention.<sup>4</sup>

An adequate and credible supply side institution is also a critical issue. In the current context of rapid urbanisation, the challenges in urban management require not only specialized knowledge but also experiential learning to tackle the challenges faced by urban managers in managing the city. The lack of supply side capacity is particularly acute in certain regions and in certain areas of specialization. Very few Institutions are capable of meeting the capacity building needs of the urban local bodies on all the aspects. There is an absence of the following:

- Quality resource materials,
- Trainers who can impart cutting edge technical skills required for the technical manpower for the needs of the ULBs to equip them on reform and project implementation; and
- Data on capacity requirement for achieving service delivery standards.

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<sup>4</sup>September 2011 Report of the Working Group on Capacity Building for the Twelfth Plan

#### 1.4 Aim

The aim of the study was to do a reality check on the functioning of urban local bodies by interviewing all the major stakeholders that is State and local government functionaries, elected representatives, bureaucrats as well as informed citizens and NGOs. Discussions with them helped us to propose measures to build the comprehensive capacity of ULBs. The study was to focus on qualitative research based on interviews and group discussions and certain questions were common to all the important stakeholders.

#### 1.5 Objectives/Research Questions

In the changing scenario of Urban India, it is essential to weave out some strategy to face this type of challenges by way of discussions, questionnaires, meetings, etc.

What are the issues, which need to be addressed first to align the interests of stakeholders? Why is GoI and states not been able to successfully implement a capacity building strategy for ULBs? What are the circumstances in which elected representatives and officers of the ULB are performing? What are their actual training needs? How can the capacities of ULBs be enhanced going beyond routine training?

#### **The Research Question:**

##### Central Question

- What measures can be taken to build the capacities of Municipal Corporation as a self-governing institution?

##### In Depth Questions

- What prevents the office of elected representative (Mayor) in the ULB to function as an overarching authority for the governance of the city?
- What are the areas in which capacity building are needed? What should be specific deliverables for each of this capacity building?
- What should be the role of Central Government and State Government to ensure that capacity building programs at ULB level are implemented properly?
- What has prevented the ULBs to utilize the fund meant for the capacity building or seek more funds proactively?



- What should be the desirable approach to ensure capacity building of elected representatives in ULBs for ensuring a larger political ownership of Urbanization agenda?
- What should be the specific measures to ensure that city governments get managerial cadre for conceiving, designing and executing complex infrastructure projects?

### **1.6** *Methodology*

The study was a qualitative need assessment for capacity building, which required in-depth discussion with all relevant stakeholders in the ULBs. It was administered through detailed questionnaire, which varied among the different categories of respondents. Visits to the ULBs were made and detailed discussion was held with officials as well as elected representatives. Commissioners/ Deputy Commissioners, Mayors/ Deputy Mayors, as well as heads of departments and other elected representatives made up the respondents.

The discussions helped in:

- Assessing the status of capacity building efforts in the ULBs;
- Challenges faced in implementing such efforts and from it
- Identifying the gaps and
- Framing a strategy for capacity building

### **1.7** *Structure of the Report*

The report is structured into 4 chapters. Chapter I introduces the study and explains the background, context, aim, objectives and methodology for the study. Chapter II details the city reports namely Chandigarh, Indore, Mussoorie, Nagpur, Patna and Surat. Chapter III deals with Summary of Issues and Chapter IV deals with Framework for Capacity Building.

## CHAPTER 2 CITY WISE INFORMATION

### 2.1 Chandigarh

#### 2.1.1 *City Profile*

Chandigarh derives its name from the temple of Goddess “Chandi” (the goddess of power) located in the area and a fort or “garh” lying beyond the temple. Chandigarh is only planned city in India with a population of 10.54 lakh and a decadal growth rate of 40.30% in the year 2011. The City was declared a Union Territory in the year 1966 with joint capital of both the states of Punjab and Haryana. The area of Union Territory of Chandigarh is 114 sq. km. only with 22 villages falling in the jurisdiction of Union Territory.

Since the formation of Union Territory in the year 1966, all the functions such as water supply, sewerage, storm water drainage, city roads, solid waste management, fire wing, etc. were looked after by respective departments of Chandigarh Administration. With the formation of Municipal Corporation Chandigarh in the year 1994 (with 20 wards) with its jurisdictional area of 79.34 sq. kms, the functions of original works & maintenance for V4, V5 and V6 roads, water supply, sewerage, storm water drainage, solid waste management and fire wing were transferred to Municipal Corporation, Chandigarh. The maintenance of basic urban service is altogether different than the conventional old cities as it is the regional center of three adjoining States of Punjab, Haryana and Himachal. The services provided by Chandigarh Administration & Municipal Corporation is a role model for other cities.

Though the 74<sup>th</sup> amendment Act suggested many revolutionary changes in the structures and powers of the existing administrative set up, yet the failure on the part of the Chandigarh Administration to comply with many important changes diluted its impact. National Urban Renewal Mission, 2005 came as another intervention by Central Government to build the capacities of City Corporation but it too lacked comprehensiveness to bring in the sustainable changes.

Capacity Building initiatives usually center on individual training programs. This approach is a project-based approach and fails in live political systems which are always a part of a larger organizational and institutional context. The qualitative study of Chandigarh City government brings out the following tensions in existing organizational and institutional set up:

1. Chandigarh Administration controls the city government through many formal and informal interventions.
2. Separation of powers has led to huge tensions between elected and appointed officials.
3. Parallel agencies in the city are showing signs of vested interest.
4. Most of the attempts to build the capacities of stakeholders are piecemeal and ad-hoc and are failing to make any impact.

Organizational and institutional structures of Chandigarh city require a massive overhaul. Since the interventions are required at all the three levels of government; National, State and City, a cautious approach is recommended. Following interventions are suggested:

**Short term**

- Focus on comprehensive capacity building initiatives.
- Make all the 'optional' reforms 'mandatory' under JNNURM.
- Transfer all the functions to city governments that are prescribed under 74<sup>th</sup> amendment act

**Medium Term**

- Give executive powers to the elected body of Municipal Corporation

**Long term**

- Bring further amendments to constitution shifting to Mayor in Council system

2.1.2 *Institutional Framework*

Chandigarh being a union territory has a special status. It is directly administered by the Union of India through its representative i.e. the Administrator. Governor Punjab is Ex Officio Administrator of Chandigarh. Before the creation of Municipal Corporation in 1996, Chandigarh Administration administered the city solely through the civil servants. Like most of other Indian cities, the city government of Chandigarh is organized on the principle of separation of powers. Mayor and Municipal Commissioner head the elected and executive bodies respectively. The rationale behind the separation of powers between the deliberative wing and executive wing is to eliminate the authority and interference of councilors in administrative matters and is at best, a compromise between the claims of democratic participation and the requirements of administrative efficiency (Mathur, 1995).

Most of the taxes are levied and collected either by the national government or by the Chandigarh Administration. Municipal Corporation levies property tax and few other taxes like tax on water, drainage and entertainment.

### 2.1.3 *Stakeholders Interviewed*

Article 243W of the Constitution requires State laws to endow the Municipalities “with such powers and authority as may be necessary to enable them to function as institutions of self-government”. Twelfth Schedule to the Constitution recommends a list of local functions, which states may by law transfer to urban local bodies.

But the things are still not happening on the ground. Chandigarh Administration like any other government organization is resistant to any kind of process change i.e. any new way of doing things as it tinkers with the existing set of power relations. Any suggested change in the processes requires the backing of the fresh legislations, executive orders or written instructions.

### 2.1.4 *Issues Raised*

Almost all the stakeholders had consensus on the point that there is huge interference by the Chandigarh Administration into the affairs of the city. This is being done formally by creation of parallel agencies and informally by bureaucratic controls. At the same time, there is pent up tension between elected and appointed officials, as the former did not have the real power in the affairs of the cities. Under such circumstances, any attempts to build the capacities of various stakeholders fail to make any impact.

The findings from the discussions are presented below, based on each category, and subcategory. Wherever possible, attempt to club the questions together to give a coherence outlook to the results has been made. Only representative quotes about the most important issues involved in capacity building are mentioned below:

#### ☛ **Relations between Chandigarh Administration and Municipal Corporation**

**What is prohibiting states in decentralizing more powers and functions to ULBs? What can be done to reduce the higher levels of government control and interference in local government affairs? What is the appropriate level of government to which functions and powers need to be devolved. Is there any successful model around?**

74<sup>th</sup> Amendment Act was proposed to “put on a firmer footing”, the relationship between State Government and the Urban Local Bodies with respect to functions, revenue sharing and taxation, timely and free election and adequate representation to Scheduled Castes, Scheduled Tribes and women. But it missed out one very important prerequisite to transform ULBs into vibrant democratic units of self-government. The

basic codes that govern the Urban Local Bodies remained the same. Britishers framed those laws when they ruled India as a colony. They lack the democratic aspirations of people. Chandigarh Administration is using the Punjab Municipal Corporation Act 1976 (as applicable to Chandigarh) to dilute the impact of 74<sup>th</sup> Amendment Act. One elected representatives explained it as following.

*“74<sup>th</sup> Amendment may have been able to empower Urban Local Bodies in general but it has not been able to transfer the power from Commissioner to elected representatives... unless you transfer the power to politicians...they will not learn.”*

Though the civil servants justify their parallel powers on the basis on administrative efficiency and impartiality, it is true to large extent that they play as puppets in the hands of Chandigarh Administration. Many other elected representatives voiced the similar concerns in their interviews.

### ➤ **Relations between Elected Representatives and Civil Servants**

**What are the organizational and institutional circumstances in which elected representatives and officers of the ULBs are performing? What prevents the office of elected representative (Mayor) in the ULB to function as an overarching authority for the governance of the city?**

Civil Servants are still skeptical about the ability of the elected representatives to govern the ULBs. There is huge pent up hatred in elected representatives about the Civil Servants. Following quotes vividly express their anger toward bureaucracy.

*“Commissioner is implementing authority of every decision (taken by the general house).If he disagrees; he can send the file to State Government. Secretary Local Government is also a civil servant where the decision gets annulled.”*

### ➤ **Impact of Parallel Development Agencies**

**What can be done to limit other number of other government bodies that wield power in town?**

Another issue, which came under discussion for capacity building, is related to the presence of parallel development agencies in the cities, which are eating up the powers, and functions of Urban Local Bodies as envisaged in 74<sup>th</sup> Amendment.

Elected representatives were critical of Chandigarh Administration’s attitude of keeping a dual control in the city by continuing parallel developmental agencies.

*The elected bodies don’t do their work because of internal frictions. They don’t convene regular meetings...because of that...money starts getting lapsed. Also level of integrity*

*is very poor and elected officials vie for the contracts to be given to their own relatives or contractors, from whom they can get money. When city suffers, the state government which is ultimately responsible for the development asks other agencies to do the work...and in this kind of solution, even the well performing corporations suffer when a general direction is given.*

### ☛ **Trainings for Building the Capacities of stakeholders**

**What should be the desirable approach to ensure capacity building of elected representatives in ULBs for ensuring a larger political ownership of Urbanization agenda? What should be the role of Central Government and State Government to ensure that capacity building programs at ULB level are implemented properly? What has prevented the ULBs to utilize the fund meant for the capacity building or seek more funds proactively?**

Training of stakeholders is considered the most common way of capacity building. There are many efforts on the part of state as well as national government but the results are still not very positive. Though National Urban Renewal Mission was praised in general but majority of the respondents criticized it on its approach towards training. One slum councilor comprehensively put it in following words.

*“Training is done by agencies appointed by the central governments. They don’t know the ground realities. Consultants come and give presentations, which are always in English. Many others including myself who are under Matric do not even understand a word. Also once or two day training will not bring any change. I want to learn on a long term basis.”*

#### Why reform efforts are not having required impact

Though there are efforts (mostly by central government) to build the capacities of municipal officials, but these are not comprehensive. Focus is mainly on Individuals. The ‘Human Capacity’ building attempts at the level of Ministry of Urban Development (as part of programs like JNNURM) are totally project based. Elected as well as appointed officials end up focusing on processes and inputs rather than outcomes and lack capacity and innovation.

The elected representatives need to be trained about the basic things related to their day-to-day work. Majority of them are not literate enough to understand the jargon involved in Project Management Vocabulary. They are not expected even to know this. The job of an elected representative is to gather the aspirations of people and bring it to the floor of the house. They are not expected to be experts. But, Government training programs (designed mainly by external elite consultants), to the contrary, focus on complicated issues like accrual accounting, budgeting and other technical issues, about

which politicians are least interested. Trainings are normally in English and are beyond the comprehension of majority of elected representatives.

### *Unique Status of Chandigarh and power relationships*

Since Chandigarh is a Union Territory, National Government has the constitutional power to make laws. Any amendment in the existing Act or a bill to bring a new legislation has to be presented in the Parliament, which is difficult to introduced/passed, Chandigarh having only one Member of Parliament.

Since Governor Punjab is ex officio Administrator of Union Territory (read City State) Chandigarh, he too wants his due share in the power and is not inclined to transfer all the powers to the Municipal Corporation, which is an elected body. He controls the elected body through Secretary Local Government and other developmental agencies like Housing Board and Engineering Department. These additional agencies help him informally control administrative, financial and to an extent political matters in the city.

In addition, he nominates 9 councilors (with voting rights) to the general house of Municipal Corporation. This approximately comes out to be 25% of 35 the general house. So in a way, he is one of the major stakeholders and his office is not interested complete devolution of powers as per the 74<sup>th</sup> constitutional Amendment Act.

### *How are these relationship perpetrated*

These centralizing tendencies work through many formal and informal controls. Formal controls are exercised by creating administrative and financial dependencies. Informal controls are practiced through the so-called 'neutral' bureaucrats. Bureaucrats are expected to be impartial but there are no incentives for them to be impartial in this whole game. The higher-level bureaucracy does their postings and transfers with the final nod from the Administrator. Their bosses or the Governor writes their annual confidential reports. As they are not answerable to the Mayor or the general house of the corporation at any point during their assignment, they have no 'disincentive' of disobeying their individual or the collective wisdom respectively.

### *Power struggle at the heart of these relationships*

- Elected Officials do not want to groom their potential political rivals

Since Members of Parliament share the same vote bank with the Mayor, there is no incentive for him to empower the latter as he may end becoming their political rival. Chandigarh Parliamentary Constituency is almost same with the Municipal Corporations jurisdiction. Members of Parliament do not want to see a strong Mayor with a direct election as Mayor in Council System. If the Mayor is directly elected, he will

become equally powerful to the Member of Parliament and may run against the sitting Member of Parliament.

- Bureaucrats too do not want to lose their grip

As per the division of powers in the present Municipal Act, Bureaucrats enjoy all the executive powers. The elected body in reality ends up playing an advisory role, which in reality is against the aspirations of Indian Constitution particularly in the spirit of 74<sup>th</sup> Constitutional Amendment Act. Bureaucrats do not have any incentive in sharing powers with the elected officials and they will never do so unless the Municipal Corporation Act directs them to do.

*What are the impacts of this power struggle on Capacities of City Governments?*

- Focus is more on processes than the outcomes

Since officials are simply required to implement (not invent) the policy, their focus is mainly on keeping the procedures and papers straight. All of their important files go to state level authorities for prior approval. This leads to poor personnel capacities and outcomes, which generally do not match the local preferences.

- Lack of transparency and accountability

Low level of delegations and higher level of bureaucratic reporting hinders the innovation and performance in the city governments. Outcomes are generally very mediocre and there is no or very poor transparency or public participation in the whole process of public policy making or implementation.

- Huge Politician-Bureaucrat rift at city level

The management pattern in Chandigarh (like most of other cities) is based on the principle of division of powers between the policy making body and the bureaucracy. The elected body deliberates on policies and approves the budget. Municipal Commissioner along with his team executes these policies. What is the result of this division? The Mayor ends up being a figurehead. His power is only ceremonial as the real executive power remains with the Commissioner. This creates a stalemate, which further annoys the Mayor and his ruling party in the general house of the corporation with the ultimate result being the show of strength between the Commissioner and Mayor.



### Problems lie in the incentive regime

Any investment in capacity building – in training, leadership development and client responsiveness will be fail unless these are accompanied by the simultaneous institutional and process change.

74<sup>th</sup> Amendment, 1992 has recognized the city governments as units of self-government, but it has not bestowed them *directly* with any functions and responsibilities. Their powers and responsibilities still originate from the specific legislations of their respective states.

Chandigarh Administration has given a very limited mandate to the city government. They have been made responsible for the provision of public goods only. These are mainly the managerial functions. Developmental functions and distributional works are still executed by other agencies or by higher level of the government, which are created as parallel agencies. Because of the absence of complete devolution, the Chandigarh Administration (like any other State government) interferes in their affairs through parallel laws or executive decisions.

MC Chandigarh needs to be assigned a set of exclusive functions and the concept of a distinct and separate tax domain will have to be recognized. Only then will the MC be able to serve as institutions of local self-government (Mathur O. P., 2006).

### Policy Options

74<sup>th</sup> Amendment Act 1992 conceived a bigger role for Municipal governments in India. Latter are no longer viewed as civic bodies, responsible only for the provision of a few merit or public goods. Rather, they are considered important for much larger tasks such as "*planning for economic and social development*", and "*poverty alleviation*". National Urban Renewal Mission is another welcome step towards that goal but there is a long way to go.

#### 2.1.5 Suggested interventions to tackle issues

These can be broken up into short term, medium term and long term.

- **Short Term**

#### Focus on Capacity Building

Much of the current training programs entirely assume city governments as self-contained entities, rather than part of a wider political and social system. Also the focus is mainly on technical aspects of the programs.

There is a need to start huge capacity building initiative. Councilors should be trained in local rules of Municipal Corporation and basic sections of the Act (relevant to their work). Government programs, normally done through elite consultants, normally focus on issues like accrual accounting, budgeting, audit and other technical issues. Elected officials are least interested in those. Even training programs about National Urban Mission are normally in English, which also is a problem for illiterate/poorly educated elected representatives. We will have to reach to their level to train the officials.

#### Make the reforms 'Mandatory' instead of 'Optional'

National Urban Renewal Mission has achieved a reasonable success in the mandatory category of reforms through introduction of double entry system of accounting, e-governance, property tax reforms and Internal earmarking of funds for poor. But the reforms related to streamlining of byelaws and procedural frameworks have been put in optional category.

It is very important to note that the success of mandatory reforms rests on the success of optional reforms as they provide the wider institutional context for such reforms. Since the reforms are linked to transfer of money, national government can make all the reforms as mandatory.

#### Transfer all the functions and powers as prescribed by 74<sup>th</sup> Amendment Act

Since the national government has the backing of the constitutional Amendment Act, it can force the states to go for complete devolution as prescribed by the 74<sup>th</sup> Constitutional Amendment Act. Transfer of subjects like urban planning, land use and socio economic development can be transferred to the city governments. This will end the multiplicity of authorities as well give take the democracy to the grass root level by involving the stakeholders in issues of their own socio economic development. Without their actual involvement, the real change may not happen on the ground.

- **Medium Term**

#### Executive powers to elected bodies

At present, the balance of power is tilted in the favor of bureaucracy. This is against the essence of 74<sup>th</sup> Amendment Act. If powers of Mayor and elected body are increased, senior politicians will aspire to get elected. Mayor in Council system is a good example and is working well. Indore is a good example. The Commissioner in this case can Act a cabinet secretary to the Mayor and his Cabinet (Mayor in Council). At the same time, there can be a genuine attempt to increase the salaries of councilors. With good status and remuneration, better and sincere politicians will aspire to be councilors, which will automatically increase the capacity of city governments.

### Broaden their mandate

At present, most of the city governments are providing only public goods like water supply, sewerage, sanitation and roads. This is time to get beyond these managerial functions. City government can be given developmental and distributional functions. There is no need of multiple bodies doing same thing.

- **Long Term**

### Further Amendment to Constitution

In the long term, further Amendment to the Constitution is required to substantiate the provisions introduced by 74<sup>th</sup> Amendment Act. Functions need to be assigned by law and once so assigned can be withdrawn or modified only by a similar law. This acts as a check against State regulations or Government Orders (JNNURM).

#### 2.1.5 Conclusion

The present approach to capacity building is based on supply side initiatives. The required incentives have to be included as part of the capacity building to bring in attitudinal changes in various stakeholders. There is need to focus more on the demand side perspective of capacity building in which Capacity is induced through a combination of incentives (World Bank). The ultimate success will depend upon the inducements provided to various players, may they be bureaucrats, politicians, subordinate staff or people in general.

## 2.2 Indore

### 2.2.1 *City Profile*

Indore is regarded as the commercial capital of the Indian state of Madhya Pradesh. It is the largest city of the state as well, with an area of 214 square kilometer and an estimated population of about four million residents.

In fact, Indore is the only city in central India that presents motley of different Indian cultures. The district of Indore has always been a center of all commercial activities in the Central India. Today, it has established itself as a strong industrial base, with the contribution coming from the state government as well as private initiatives. Strategic location and good connectivity with metro cities like Mumbai and Delhi through road, rail and air have also contributed in the growth of various industries here. Emerging as a major educational hub, the city boasts of the existence of a number of well-known institutions also.

The obligatory functions of the Indore Municipal Corporation include construction of educational centers, hospitals, dispensaries and houses as well as their maintenance with time. Besides undertaking the development of city roads, bridges and flyovers it also construct recreational centers like parks, community halls, museums and exhibition halls for the people. Nagar Nigam Indore takes measures in advance in order to prevent the spread of epidemics and seasonal diseases. Indore Municipality is also responsible for maintaining heritage buildings and evaluating environmental effects on them. Nagar Nigam Indore levies property tax on residential as well as commercial properties and makes sure the implementation of building plans are as per rules formulated by the state government. Municipal Corporation in Indore also works for the betterment of slums and has the provision of giving shelters to the homeless.

### 2.2.2 *Stakeholders Interviewed*

Discussion with various stakeholders both in the technical wing and in the elected wing have brought forward a variety of issues some of which are common across sectors.

As per the **Finance Officer** of the the Corporation, even if regular training is being imparted to all the staff in each and every cadre, staff are reluctant to take training as most do not want to own the responsibilities. Senior officers are mainly on deputation, so interest and ownership and vision for development of city is lacking. Total manpower strength of the corporation is more than one thousand staff including class IV level, whose establishment cost is around 40%. On the other hand, since recruitment process is frozen for the last 10 years, consultants appointed to do the necessary technical work.

Organizational set-up plan is being formulated due to which there is a possibility of the recruitment ban being lifted.

Most of the functions under the 74<sup>th</sup>CAA have been transferred to the Corporation barring few. Policy decisions are taken with the consent of Mayor-in-Council. The Corporation enjoys sound financial health and sources of funds are from property tax, compensation in lieu of Octroi and funds from projects/schemes. The sanction powers are as follows:

1. Ward Committee	Upto Rs. 50,000/- (Working since 1999)
2. Commissioner	Upto Rs. 10 Lakhs
3. Mayor	10-25 Lakhs
4. Mayor-in-Council	10 Lakhs - 1 Crore
5. Council	More than 1 Crore

The engineering department's main issue was lack of adequate technical staff, which increased the gap between demand and supply. Major issue arises from contractual staff deployment so there should be proper motivation to the regular staff otherwise this will cause lack of interest to perform.

The **City Engineer** of Nagar Nigam is of the view that capacity building measures in the municipality are more of an ad-hoc effort rather than demand based. He was of the view that there was a pressing need to build the capacity of staff with respect to computer use as e-tendering, GIS based survey, double entry accounting, etcetera, were being regularly used. Lack of internal capacity mandated the hiring of consultants for the job. He also added that a state level training centre needs to be established and a need based training calendar needs to be prepared for training the officials of the municipalities within the state. Presently, training is project centric and limited to the staff working on the project and requirements of the project. A course book or training manual should also be made handy, based on which training can be imparted. The state government should prepare guidelines for the training manual and mandatory training by rotation to all staff should be propagated. Along with this, a second line of officers should also be trained in order to fill in when seniors are engaged so as not to create a vacuum. He also mentioned that although important decision making powers are vested with Mayor in Council, relationship between the bureaucracy and elected representatives being sound, work does not suffer.

The primary concern of the **Chief Health Officer** (CHO) was shortage of staff. There is a dire need to evolve a step-up plan, which would also be a capacity building plan for the entire staff of the corporation. The efficiency of the available staff is getting

compromised as responsibilities do not match capacities /capabilities. Sweepers are being made to do the job of sanitary inspectors. Also health department should not be doing the functions of solid waste management department. In a city of 15 zones and 69 wards, both departments require adequate and capable staff for performance of daily functions. The requirement for staff as per the step up plan includes a muster roll of approximately 3000 staff while currently the regular staff is only 2000.

Also within the same department environment, technical and managerial cadres should be kept separate. Due to frozen recruitment rules, avenues for career enhancement are limited, which does not provide incentives to perform and hence leading to demotivation (He has been in this post for the past 28 years). The CHO is more involved in the administrative affairs than technical and his nature of duties are fairly different from his main responsibilities. In his entire career span, he has been exposed to only two training programmes. It is the same for most staff members of his department, which only adds to the low technical know-how. Development oriented work, though limited is run smoothly as the relation with the elected wing is good. Issues related to taking action are mostly forwarded from the concerned Corporator as it is registered online from the residents to the respective departments in the corporation.

The **Administrative cum Law Officer** was of the view that though the training centre (established in 2009) had been set up to give regular training to corporation staff; it is provided under specific projects funded through the donors. For example under the MPUSP project funded by DFID, training is provided to engineers, architects, etcetera, involved in the programme. Awareness programmes, related to the schemes have also been initiated in the centre for general public. Annual training calendar, though prepared with inputs from all heads of departments, no specific guideline for training is followed. Majority of training is given related to the domain of computer, accounting procedure, filing work at the clerical level, etc. The law officer in actual is retired from the post of additional collector and feels that training should be provided to Nagar Panchayats and 'Mohalla Samiti' level. The step-up plan being prepared by Deputy Commissioner (establishment) would need to take care of these issues.

The **Commissioner**, Shri Yogendra Sharma's main point of concern was that all capacity building efforts should be addressed through proper resource persons and it should be designed towards sustainability. Most training institutes fail to deliver on this ground as stress is more on theoretical knowledge and not on practical experience. Learning through exposure visits and seeing good initiatives goes a long way in training. Accountability within the corporation should be brought about as is seen in the corporate sector. Cadre structure in municipal services to include municipal services, accounting services, revenue services, personnel services etc. should be urgently implemented.

Most government efforts at training are routine and not demand driven. All tiers of officials should be brought under the purview of capacity building efforts. Enhancing capacity of 2nd and 3rd tier level officers through proper training will only ensure responsibility and accountability in delivery of functions. Presently too much centralisation of powers among the top tiers with almost nil accountability in the lower tiers makes decentralised decision making difficult both due to limited capability and responsibility. This is made more acute with lack of competent staff in technical, revenue and accounting sections.



The discussion with the **Mayor** shed light on many of the issues, which had not been highlighted before. First of all, a cordial relationship and tolerant mentality is required both at bureaucracy and among the elected representatives. This is an essential requirement towards a strong institutional set-up. He also commented on the present status, some of which were acting as impediments to effective governance. While 90% of the functions under 74<sup>th</sup>CAA have been completed, transfer of land has still not been done. Almost 90-95% of the JNNURM reforms have been achieved but installments on some had been difficult to process due to compliance issues from the state government. Issues like this were coming in the way of providing basic amenities to the people. In view of limited capacity, he was of the opinion that more powers should be given to civic bodies so that they could appoint consultants and experts for quality maintenance works. Interaction with the people at every stage is very essential as it ensures participatory development. A self-assessment of the Corporation as a mechanism for effective governance needs to be ensured periodically to improve performance and service delivery. Enhanced revenue generation in all sections is a tool to bring this about, for which adequate manpower needs to be in place. This will also ensure effective monitoring of service provision. The vision of the elected head goes a long way in providing improved governance but the willingness and capacity of the technical staff should match these efforts.

The views of the **elected members** highlighted the lack of adequate and organized efforts towards enhancing the capacity of the Council. In view of the increased responsibilities to the elected wing post 74<sup>th</sup>CAA, all Corporators should be aware and

competent in discharging their duties. In their 5 years tenure, all members should undergo regular training in order to increase the awareness level of the party in general as well as their own competency. There is willingness among them to learn. This is also necessary as general public approach Corporators of their wards first for any problem related to service delivery, and it helps if the councilors are aware of all the development related issues in their area. This is also discussed in the council meetings held twice a month with the Mayor. Only a need for an urban sector specialist to be deputed in the Nagar Nigam is felt. If the planning process in the urban sector is strengthened governance will improve on its own.

### 2.2.3 *Suggested Interventions*

Capacity of any individual/organisation cannot be measured merely in terms of work done. It includes many such related aspects such as planning, supervision, monitoring, coordination, evaluation, motivation, willingness and incentives that ensure these goals.

While on the one hand, the view point of the Commissioner, that **corporate culture** (performance based incentives) should be introduced in all the local bodies because it targets the delivery mechanisms, incentives, outcome, etcetera. **Cadre structure** should also be followed. Apart from this, efforts should be made from the government to train the people and the institutes should impart practical not theoretical knowledge. For this, the state government should prepare the guidelines for the training manual. Training by rotation should be mandatory to all the staff. 74<sup>th</sup> Constitutional Amendment Act (CAA) and the JNNURM Reforms might have highlighted the importance of capacity building, but on ground certain issues in the Corporation still require attention.

It is widely acknowledged that the role of local bodies has increased significantly over recent years, especially after the 74<sup>th</sup> CAA and JNNURM reforms. The various elements of the Capacity Building have certainly played their part, to differing degrees, in contributing to these improvements. However, it is worth noting that identifying the specific contribution of individual initiatives to organizational development is somewhat difficult for reasons of attribution, because of lack of clarity over plan, programme and policy.



## 2.3 Mussoorie

### 2.3.1 *City Profile*

Mussoorie is a city and a municipal council in the Dehradun District of the northern Indian state of Uttarakhand and is situated in the foothills of the Garhwal Himalayan ranges. It is located about 35 km from the state capital of Dehradun and 290 km north from the national capital of New Delhi. Mussoorie is well connected by roads with Dehradun, Delhi, Roorkee and Saharanpur.

### 2.3.2 *Institutional framework*

The development of the city comes under the jurisdiction of Mussoorie-Dehradun Development Authority (MDDA) which was created through a Government Notification (No.225/XI-5-84-19(1)-DA.84, dated October 29 1984, in exercise of the powers under section 3 of the Uttar Pradesh Urban Planning and Development Act, 1973) with a view to developing the area in a planned manner. The development by-laws of the MDDA 1985, apply to development activities and existing buildings within the development area of the MDDA. All development and re-development permits are thus to be obtained from the MDDA. Permission is necessary to erect, re-erect, demolish, and make any material change or alteration in a building or part thereof within the development area. However, no permission is required for the following alterations – provision of closure of a window or a door or ventilator not opening towards other's property, providing inter-communication doors, providing partitions, gardening, white-washing, painting, re-tiling, plastering, re-flooring and construction of sunshades. Similarly, no permits are required for carrying out works by departments of the central or state government or any local body for the inspection, repairing or renewing any sewers, mains, pipes, cables or other apparatus.

### 2.3.3 *City Administration*

Municipal Board of Mussoorie is also known as "City Board". Consequent upon the 74<sup>th</sup> Constitutional Amendment (1992), and Uttar Pradesh Nagar Palika Act, elections to the Mussoorie Municipal Board were held in 1997. The municipality is divided into 25 wards. Each ward is represented in the municipal board by one elected representative, besides the Chairman who is directly elected by the voters in the city. On an average then, each elected representative in the city represents about 1500 residents. The tenure of the previous elected body of the Mussoorie Municipal Board came to an end on January 18 1994 and subsequently for three years from 1994 to March 1997, an administrator managed the city.

The municipal board meets once every month. The major items discussed in these meetings deal with people's problems, problems of maintenance of services in their jurisdiction and the budget. The board has created five sub-committees from among their members-property taxation committee, garden committee, health committee, public works committee and finance committee. These committees make the budget proposals and the proposals are scrutinized by the finance committee and then approved by the Municipal Board.

Three key functionaries – the Executive Officer, the Health Officer and the Municipal Engineer – who come from various provincial services provide administrative support to the Municipal Board. They are supported by a number of Assistant Engineers / SDOs, Sanitary Inspectors and other junior-level officials. Some of the other basic infrastructure such as drinking water, power, education, telephone, etcetera, are outside the Municipal Board's jurisdiction and come under various state level institutions such as Jal Sansthan, State Electricity Board, Department of Basic Education etc. The Municipal Board issues birth and death certificate and collects electricity user charges.

Historically land development and housing has been an area of concern in Mussoorie. The role of development agency MDDA in addressing issues like the shortage of housing for resident population and nature of implementation of the building bye-laws was questioned. It was perceived by most of the stakeholders during a research study that MDDA has encouraged speculative and absentee housing development; pushed up the land values and marginalized the resident's requirements and has not planned for provision of spaces for entertainment and sports facilities. It is also perceived that the above had an adverse effect on city aesthetics and contributory factor to congestion.

#### 2.3.4 *Stakeholders Interviewed*

According to the Chairman of the Municipality, empowerment of Mussoorie Municipality has not taken place appreciably. Already geographically isolated, most of the functions have not been delegated to the Council after 74<sup>th</sup> CAA. Even the land of the Council is with the Forest Department. The Nagar Parishad is entirely dependent on the state government for support in terms of functionaries and finance to undertake any activities. At present the Council is responsible for only the maintenance of the street lighting and collection of toll tax. Due to lack of capacity of internal staff, handholding from consultants is required for implementation of most functions.

A Master Plan/CDP as 'living document' should be prepared for the city of Mussoorie. Some of the activities pertaining to development, which were put forward by the council have not materialised. The main reason could be attributed to poor coordination and functional relations between 'Vidhayaks' and officials. Other impediments to capacity

building efforts are paucity of funds, shortage of staff and lack of technical know-how and frequent transfer of officers.

### *Municipal cadre*

The total strength of the Mussoorie municipal council is around 350 including class IV employees. It was suggested during the stakeholder consultation that a structure similar to state government should be followed for the promotion. Lack of proper categorization in municipal cadre, shortage of manpower and no recruitment are some of the key issues raised as part of this consultation. It was also suggested that funds allocation to all the council staff has to be ward wise as per the 'Vidhayak' and 'Sansad'. It was stated that capacity building is the development and progress of the council and its staff, which in turn reflect the good financial conditions of the ULBs. But the council doesn't have the capacity and capability to explore the ways and means to improve the financial health of the local bodies.

### *Municipal council initiatives and vision for Mussoorie*

Regardless of strong opposition, shortage of staff and paucity of funds, municipal council was able to initiate following initiatives for Mussoorie: introduction of eco system, running of college and improvement in schooling structure, introduction of English language etc. It was envisaged that amalgamation of all the urban clusters in the proximity of Council would enhance the development. It was suggested that master plan / city development plan for Mussoorie has to be prepared with due consideration to project plans or proposals by the council. An executive authority of the sub-divisional magistrate level should be appointed or the powers should be delegated to the elected representatives to execute these plans and programme.

### *Urban Reforms and Mussoorie Council*

Lack of dedicated staff for JnNURM activities, modest knowledge about reforms implemented under JnNURM and also no initiatives towards training of council staff at any level has resulted in lackluster performance in reform implementation. It was also observed that all the mandatory reforms are still under progress and there has been little or no enhancement in capacity building of the Mussoorie Municipal Council. No framework for delegation of municipal functions is resulting in issues such as overlapping functions with state level agencies and capacity hurdles on the administrative and technical front. For example, Jal Nigam and Jal Sansthan are managing the water supply and sewerage.

Handholding support for hiring a consultant to implement GIS – based application for property tax and training of municipal staff will enhance the coverage and collection and also work towards the reforms as envisaged in JnNURM. The current accounting system

is a cash-based single entry system and the account records are updated and annual accounts prepared regularly.

As mentioned in JNNURM appraisal report, Mussoorie is one of the non-mission cities from north zone for visit and detailed study as part JnNURM appraisal by Grant Thornton, India. Mussoorie has taken significant steps towards implementing e-Governance reform. The Mussoorie sewerage project implemented by the PeyJal Nigam started in 2009 was specifically mentioned, as it was re-tendered because of reluctance of contractors to take up the project. This was due to the difficulty of excavation, time constraints in execution and presence of tourists.

Tourism is an important component of the municipal revenue for Mussoorie but not enough effort has been made to develop infrastructure to facilitate it.

The Executive Officer of Mussoorie Nagar Nigam also reiterated the fact that the relationship between the Bureaucracy and Elected wing is not very sound. Capacity Building means the development and progress of the Council and its staff, which in turn reflect the good financial conditions of the ULBs. But the council doesn't have the capacity and capability to explore the ways and means to improve the financial health of the local bodies, which will in turn lead to progress and development.

The capacity for reform implementation is also weak as no Programme Implementation Unit (PIU) has been formed. No training at any level is being given in the council to depute staff in a reform monitoring cell, even the people are not aware of the reforms. Expectations from State government are very high for delivery of functions but the state government structure is not followed for promotion of staff. Executive Officer is appointed by the State government to work at ULB level, which does not bring in ownership. Municipal cadre should be properly categorised as strategies for administrative reforms need to be evolved.

Discussions with Council members, officials and other stakeholders brought to light a number of issues, most of which were common with the other people interviewed. Only duties are defined while rights are not. New recruitments have been made for a long time and shortage of staff have lead to overlapping of functions in key domains, which have only increased the complications. Capacity hurdles on technical and administrative fronts remain unattended as a result. For example, the water supply and sewerage are being managed by Jal Nigam and Jal Sansthan and officials of both the parastatals are responsible for certain functions jointly, leading to undefined responsibility and accountability. Interdepartmental coordination is also needed along with modernized processes put in place. It was also felt that without financial powers, functional powers are not effective. Hence Chairman should have access to both. Stakeholder participation

especially with the people is limited and lack of publicity is a serious impediment to capacity building. Strong organizational structure with a senior official can go a long way in ensuring improved governance. Interdepartmental coordination needs to be enhanced in order to contribute to smooth functioning.

## 2.4 Nagpur

### 2.4.1 *City Profile*

Nagpur the largest city in the central India is the third largest city by population in the state of Maharashtra. With a population of around 2,420,000, Nagpur UA (Urban Area) is the 13th largest urban conglomeration in India, the 114th largest city in world, and the 143rd largest urban area in world in terms of population. It is popularly known as "Orange City" is spread across an area of 217 sq.kms. It is an important railroad Junction and a major center of education, culture and commerce in Maharashtra State. All major highways and railways pass via Nagpur. There are important State and Central Government offices and other institutions located in the city. Industrial development is rapid in the fringe areas of the city.

Nagpur Municipal Committee was established in the year 1869. The Municipal Corporation has been graded as an "A" class Municipal Corporation. NMC functions under the City of Nagpur Corporation Act, 1948 (CNC Act, 1948). At that time population of city was 82,000 with an area of 14.3 sq.kms. In the 1872 another body known as civil station sub-committee with an area of 3.8 sq.kms. was constituted for town development. Looking to the areas, population and importance of city, the two municipalities and adjoining villages were merged together in 1951 to form Municipal Corporation. At that time there were 42 wards with a population of 4.5 lakhs, now they are 129 with population of 25 lakhs approx.

Nagpur receives its entire water requirement from surface sources. The Nagpur Improvement Trust (NIT) was formed by enacting the same Act in 1936. Actual functioning of NIT started in the year 1937. The goal set before the NIT was to develop new areas within the city of Nagpur to cater to the needs of the growing population.

#### *Citizen Charter*

As part of its drive to improve the quality and promptness of service to the citizens of Nagpur, the Municipal Corporation of Nagpur has released "The Citizen Charter" to achieve the twin purpose of streamlining public service and informing the citizens of their rights and responsibilities. This document is a commitment to provide efficient and prompt services to the citizens. In order to provide an efficient administration, the Municipal Corporation adopts the principle of a "SMART" administration that is "Simple, Moral, Accountable, Responsive and Transparent". Their aim is to create local administrative machinery that achieves public expectation and which will create an ever-lasting partnership between the citizens and the administration. This charter may not be treated as a legal document against the NMC.

### *Domain of NMC*

Over 8 lakh persons or 40% of the city's population live in slums. The Nagpur Municipal Corporation (NMC) has under the Slum Rehabilitation Act, initiated a slum up gradation plan to make Nagpur a slum-free city. The Slum Redevelopment Authority (SRA) has proposed housing projects worth Rs. 250 crore under JNNURM and balance on a PPP model.

The finances of the Nagpur Municipal Corporation (NMC) are in a satisfactory state. The NMC has a surplus on revenue account; nearly 48% of revenue income is derived from octroi. For the past two years, the NMC has not taken any loan for financing infrastructure. But the problems in NMCs finances are at other places, i.e. low coverage of properties by property taxes, low collection efficiency, inefficient user charge, etc.. Also, 48% of municipal expenditure is on establishment. The NMC plans to improve collection efficiency for which it needs to spell out a strategy of efficiently using property taxation, covering the inadequacies of the existing system.

E-Governance - This initiative began in 1998 and today covers a number of areas – citizen felicitation centers, computerization of octroi and property tax department, water billing, biometrics system, GIS, etc.

NMC's approach to reforms in the Water Sector closely subscribed to the streamlined modules specified in the reform agenda. This consists of bench marking performance indicators through audits (water, energy) followed by strategic actions for augmentation of existing infrastructure combined with improvement in operational efficiency through reduction in UFW/NRW, systematic decrease in energy and O&M costs, etcetera, supported by capacity building of NMC employees.

The 24\*7 water supply project undertaken by NMC in a PPP mode stands at the cornerstone of the water sector reform agenda. The general body passed the resolution for implementing 24\*7 water supply in the year 2008. The financial support was obtained from low cost funds, grant from JnNURM, tax-free bonds and public private partnership. NMC also entered into a performance based contract for the purpose of O&M with a private firm for the period of 10-15 years. Hence, the water sector reform undertaken by NMC does present a well-rounded strategy that may be replicated by similar ULBs.

### *Civic Administration*

Nagpur is administered by Nagpur Municipal Corporation (NMC), which is democratically elected civic governing body. Nagpur Improvement Trust (NIT) which is

the planning and development authority for the entire Nagpur Metropolitan Region works in conjunction with NMC to carry out civic infrastructure and land development in the existing and new urban areas under the jurisdiction of Nagpur metropolitan region. The city is divided into 10 zones, which are further divided into 136 wards. Each ward is represented by a councilor, majority of who are elected in local elections.

NMC is responsible for administering and providing basic infrastructure to the city.

1. Building and Maintenance of roads, streets and flyovers.
2. Public Municipal schools
3. Water purification and supply
4. Hospitals
5. Street lighting
6. Maintenance of parks and open spaces
7. Sewage treatment and disposal
8. Garbage disposal and street cleanliness
9. Urban development and city planning of new areas.
10. Registering of births and deaths.

Municipal commissioner, an IAS officer, heads the corporation. He wields the executive power of the house. Elected Corporators are responsible for overseeing that their constituencies have the basic civic infrastructure in place, and that there is no lacuna on the part of the authorities. The mayor heads the party with the largest vote. A largely ceremonial post, he has limited duties.

#### *Financial status*

Revenue income is primarily earned by NMC or for NMC by some external sources. Among own sources, the largest source is octroi (47%) followed by property tax (18%).



### 2.4.2 *Stakeholders Interviewed*

Sh. Mahesh R. Gupta, OSD to Commissioner, was of the view that the departments efficiently dispense functions of the civic body. There are nine departments in the Nagpur Municipal Corporation viz. City Engineer Department, Development Engineer Department, Electrical Department, Election Department, Executive Engineer Project, Accounts and Finance Department, Fire Brigade Department, General Administration Department, Garden Department. The corporation directly does the recruitments. The total strength of NMC is 13000 including class IV employees.

NMC has made many efforts to improve the efficiency of its service delivery as well as to improve the level of convenience for the citizens to avail these services. The self-assessment and payment portal for property tax and an entire networked e-governance system are some of the examples. NMC has also made efforts for the convenience of other citizen groups like traders, businessman, contractors, etcetera, by provision of individual portals for calculation and payment of octroi, for e-procurement, etcetera. All these efforts have ensured a good relationship between the local body and citizens.



Given the existing pace of growth in the city and realizing the potential of future growth, there seems to be inadequacies in the infrastructure. Some of the urgent needs are that for multi-storied parking structures, sports stadium, etc. The reason that development of infrastructure has not kept pace with that of other governance reforms is due to legal hurdles like non-release of lease by occupants.

Considering that NMC is already burdened with the day-to-day civic management functions, in order for the above infrastructure projects to be implemented in a timely manner, a Project Management Consultant (PMC) unit should be constituted.

Discussions with the Mayor and Deputy Mayor brought out some interesting views.

**Power Dynamics- More power to be given to the elected wing i.e. the Mayor and motivation to councilors in the form of development funds as in Madhya Pradesh.**

Mayor feels that the Commissioner has more power than the Mayor. The corporation has five decision-making authorities, namely, the House, Standing Committee, Commissioner, Mayor and the Ward Committees and according to him, each has their authority defined, except for the Mayor, as a consequence of which, the position has power only for the namesake. The Mayor expressed the need to vest more administrative and executive powers in the elected wing by empowering the Mayor and Standing Committee since these are the direct representatives of the citizens and hence better able to articulate their needs and act accordingly. In the current scheme of things, it seems that the Commissioner has more power as compared to the Mayor. The power structure should be that like in the state of Madhya Pradesh, wherein the Mayors hold the highest powers in the respective cities.

Also, in case of a disagreement between the Commissioner and the House, it should be deliberated upon and re-considered, rather than Commissioner submitting his disagreement to the State.

Further, the councilors have no motivation to work especially in view of the lack of power available to them. Even the new councilors who come with a clear vision of development are discouraged due to lack of power. Not all the councilors have a voluntary work mentality. In this case, lien in salary like that given to the MLAs may be given to the councilors to provide them the motivation and also attract educated people to take up the post.

**Capacity Building- Need well designed and focused training activities along with a state training centre and stress on post training follow up.**

Currently, it is observed that the capacity building efforts are not yielding desired results. One of the main reasons is poorly designed training and other capacity enhancement efforts. There is a need for well-planned and designed training activities along with best practice exposure visits for councilors. Also, there is a need to establish a state training and resource centre that relies on locally available resource persons for imparting training and fulfill knowledge needs like in the state of Madhya Pradesh.

As a part of good training design it is important to prepare the participants/recipients in advance by providing them information regarding the trainer's background, content of training, etcetera and the recipients too should go prepared with complete knowledge about various aspects of their own city. Follow up and feedback to the training should form an integral part of the capacity building activities. The Mayor should be able to suggest training for councilors in his jurisdiction.

Also, even after the above mentioned is incorporated in capacity building efforts, the councilor is still unable to make decisions or implement good practices in their city/wards in light of limited powers and lack of motivation.

**Post 74<sup>th</sup> CAA- Systems in place, lacking in capacity and high State Government Interference**

Post implementation of 74<sup>th</sup> CAA in the year 1997-98 the zonal and Ward Committee system was adopted for the city. Currently there are 10 zones, which are functioning properly, and further divided in 72 wards, with 145 councilors, most of which are elected. Whereas the administrative division exists, the system has not been streamlined or structured by providing rules and procedures.

Only in the year 2009, a chairperson was appointed in zones, which further formalized and empowered the zonal offices. Considering that the operationalisation of zonal offices took ten years, the implementation of 74<sup>th</sup> CAA in spirit is a farfetched dream. Whereas, 74<sup>th</sup> CAA did put a system in place, the same has not been able to dispatch functions yet, thus defeating its very purpose. The Corporation has no municipal cadre, the chief engineer is on deputation from the state government. This clearly points at a severe lack in capacity.

Decision-making powers are still with the state government, which sometimes causes delays in critical situations. Lack of power to the ULBs has also resulted in them being unable to fulfill their responsibilities.

**JnNURM Funds- ULBs unable to provide their share of 30%**

JnNURM has definitely assisted in bringing about a positive change; however the ULB is still not capable of generating the requisite 30% of total funding required.

Also, there is a huge time gap (4-5 yrs) between sanctioning of the project by NMC and implementation of the same. The rates of construction material, labor, etcetera, become higher than those sanctioned and the ULB has to bear the burden of this time lag financially.

Thus, in order for bringing about a better managed system within the decentralized framework, there is a need to provide motivation (in the form of lien salary) to the councilors, vest more powers in the elected representatives, provide them essential and well-designed trainings and reduce state interference in decision making processes along with strengthening the technical capacity of the administrative wing to reduce their dependence on state support and introduction of a municipal cadre.

MLA and Trustee of NIT (appointed by Maharashtra Government) had very specific issues highlighted:

**Lack of Internal Coordination and Prevalent Corruption**

The Nagpur Improvement Trust (NIT) has skilled workforce to carry out the development work, however there is a lack of internal coordination among various departments. The Trust also faces issues of internal corruption that hampers successful and effective implementation of projects. The external coordination with NMC is overall good.

**Post JnNURM- Lack of Capacity to Handle and Maintain Huge Infrastructure Projects**

Huge amount of capital investment has been derived out of the JnNURM funds to sponsor big development projects in the city. However, these investments are not supported by introduction of adequate systems for maintenance and capacity building of recipient institutions to absorb the funds. The result is that the infrastructure created is not maintained and the institutions are not able to effectively utilize the funds. In both the cases, the funds are essentially underutilized.

Example 1: NMC has no capacity to either operate the newly acquired JnNURM buses or create supporting infrastructure like parking space, workshops, etcetera and hence most of the buses have gone out of order and lying unused.

Example 2: Another example is that of the inspirational 24\*7 water supply project. The project has taken off and is functioning properly, however due to lack of maintenance systems the water tank is not being regularly cleaned, which if unchecked, could lead to contaminated water being distributed. Hence, the need for capacity building of recipient institutions and putting adequate support and maintenance mechanisms is inevitable for the JnNURM funds to be effectively utilized.

Also, capacity building efforts should not be limited to the administrative and technical officers, but also extend to the decision makers i.e. the elected representatives in order to enhance cohesion in thought and action among the two wings. Whereas, only engineers should take technical decisions, providing training to councilors could be the much needed support for these decisions.

There is also an expressed need to improve the transparency between the elected wing and the bureaucracy. Presence of a project-monitoring unit from the side of the elected representatives may bring in the desired level of coordination between the elected and administration wings. Considering each councilor gets Rs. 25 lakh each year for development works, increasing their awareness and capacity becomes important.

A combined meeting with all the HODs reiterated certain issues already highlighted by earlier discussants:

**Inadequate staff and lack of motivation a major concern across all the departments leading to over utilization/exploitation of existing competent staff**

Most of the department heads including health department, slum rehabilitation department, city engineering, water supply department, Dy. Commissioner, NIT, etcetera, expressed staff crunch as the key issue. Others stressed on the lack of motivation and inspirational environment as an important reason for underperformance of various departments. The staff crunch also leads to the corporation always working on a 'fire-fighting mode', over-exploitation of existing competent staff and inability for staff to spare time to undertake any training/capacity building.

**Need for separate body for Slum Organization and relocating powers with the ULB**

A considerable percentage i.e. 30-35% population lives in slum areas and given these numbers and the volume of projects, there is a need to evolve into an executive process based institution to better manage the slum projects. The Slum Rehabilitation Authority Nagpur was constituted by a State Government notification and is currently headed by an Executive Engineer on deputation from the Public Health Engineering Department handles slum related issues in the city. It is also a separate body housed outside the realm of the local government. Specifically for slum department there is a need to make changes in the by-laws and relocate the power with the ULBs. Some capacity building should also be targeted towards the slum community. The role of NGOs is detrimental in successful implementation of slum projects, the same should be acknowledged and relevant mechanisms for their engagement in implementation of various schemes and projects be devised. The ULB should also relax some of the planning regulations for slum projects/schemes and make these modifications in the Development Control Regulation Guidelines.

**Capacity Building: need for improved technical capacity, rethink the old establishment schedule and set up an Urban Management and Human Resource Management cell for in-house capacity building**

Various HoDs voiced the need for improved technical capacities in their respective departments. The state government decides entire staffing pattern and the local government has to bear long waiting periods for even a minor change, this hampers timely changes and impacts efficiency of the local departments. The lack of urban management cell results in proper management of urban functions intra and inter-departmental co-ordination, etc. Hence there is a need to set up the same. Also, having a training officer or coordinator is not enough. There is a need to set up an HR

management cell which periodically reviews training and capacity building needs of the staff and prepares an effective and efficient training calendar for all levels of officers to be able to take advantage of training and capacity building activities. Currently, due to operational issues, the HoDs are not at all able to attend any such initiatives. Once an HR management cell is in place, the same shall take care of most of the operational and procedural activities.

**Extend the existing Chief Officer Cadre to other technical level cadre like that for engineer, accountants, etc.**

Currently Maharashtra has a CEO Cadre; however there is a need to extend this to the level of engineers, accountants, etcetera, like in the case of Andhra Pradesh, Tamil Nadu and Kerala.

According to Trustees of the NIT, there is satisfactory performance of NIT staff due to adequate capacity building efforts. Nagpur Agglomeration includes 712 villages making it an area of 3600 sq kms. NIT is currently handling 90% of development happening in the entire area. Currently, the staff of NIT receives training from VNIT, CRRI, HUDCO, PWD- Irrigation Department, etc. Apart from routing training program and information sharing, the department heads suggest/forward requests for training staff on a particular project/sector on a need-analysis basis. The recruitment procedures adhere to rules and qualification criteria reducing the scope for political appointments and ensuring competent staff is hired. NIT is also currently trying to go paperless by complete computerization in the office.

The fact that NIT is also going to act as a special purpose vehicle for implementation of the Metro Project outside the city limits gives an idea of the existing capacities and also points at the need for developing further capacities that respond to these specific needs. But, even if the Chairman expressed content over NIT's performance, the fact that the sanctioned posts are not filled gives an idea about the lack of motivation to join the service.

## 2.5 Patna

### 2.5.1 *City Profile*

Patna is located on the south bank of the Ganges River, called Ganga locally. It has a very long river line and it is surrounded on three sides by the rivers Ganga, Sone, and Poonpun (also spelt Punpun). Patna is the capital of Bihar and the largest urban centre in the state. The city is located in Patna district, which comprises of six sub divisions. The Patna Municipal Corporation (PMC) area covers 99.45 sq km and is divided into 72 wards. Patna is a metropolis and has a designated regional development area that covers 234.70 sq km and includes outgrowths within Patna district – the Patna Urban Agglomeration (Danapur, Khagaul and Phulwarisharif) – Saran district and Vaishali district. Patna city is well connected by road, rail and air. NH 19, NH 83 and NH 98 pass through the municipal corporation limits.

The city is an important commercial centre. The municipal corporation area comprises of large business quarters namely, Marufganj, Masurganj, Mirchiyaganj, Maharajaganj, etcetera. The commercial establishments within the city are mainly lined along the arterial and major roads and there is extensive mixed land use of commercial and residential use throughout the city.

PMC was established on the 15th August 1952, in accordance with The Patna Municipal Corporation Act, 1951, which was published in the Bihar Gazettes Extraordinary No.249 the 30th July 1952. With the enforcement of the Act, thus came into being a New Civic Body with the merger of the 88 year Old Patna City Municipality and the 35 year old Patna Administration Committee with more powers and responsibilities and the PMC was established with effect from 15th August 1952 The first election of the councilors was completed in March 1954, but they assumed office on 1st February 1955.

### 2.5.2 *Present Administrative Set Up*

The State Election Commission, Bihar in April 2007, held election to the PMC. There are 72 wards in PMC and Ward Councilors have been elected for each ward. According to the provisions of the Bihar Municipal Act 2007, there are the following Municipal authorities:

- (a) The Corporation
- (b) The Empowered Standing Committee
- (c) The Municipal Commissioner

The PMC consists of an Hon'ble Mayor, an Hon'ble Deputy Mayor and 70 other Hon'ble Ward Councilors. The PMC functions through an Empowered Standing Committee,

which consists of 9 Hon'ble Ward Councilors including Hon'ble Mayor and Dy. Mayor. All the 72 wards of the Patna Municipal Corporation is under the executive control of 4 Circles. Each Circle is administered by an Executive Officer who is deputed by the State Government. Each Circle also has an Asst. Health Officer to supervise sanitation works. Each ward has a Sanitary Inspector. The administration of the Corporation is under the direct control of the Municipal Commissioner who sits at the apex corporation office located at Budha Marg, Patna. To control, monitor and perform the functions of the Corporation, there are 3 Additional Municipal Commissioners, Executive Officers, Health Officers, Asst. Health Officers, Revenue Officers, Chief Engineers, Chief Accounts Officer, Vigilance Officer, Secretary, Asst. Engineers, etc. The present requirement is creation of more Administrative Circles and further decentralization of power and work to increase efficiency and also to take civic amenities being provided by the PMC to the doorstep of tax payers. The situation is expected to improve with the imminent computerization in the Head Quarter and all the Circle Offices.

In Patna Municipal Corporation, Budget is prepared annually and revenue is also collected. But there is a revenue and resource crunch including manpower. The Municipal Act gives power to ULBs to raise revenue in a variety of ways, including property taxes and user fees. Besides this, there should also be the provision of reserve fund so that all the functions could be discharge as per the provision of the 74<sup>th</sup> CAA.

Decision making on various municipal matters, such as superintendence of municipal administration, planning for infrastructure facilities etc., are taken in the meetings of the local government. However, decisions to accept or reject resolutions are taken only by the elected members (councilors, mayor/president) who possess powers for voting. For this reason, the elected members, who are representatives of the citizens in the local government, are important actors involved in the decision-making process. Furthermore, accepted resolutions are implemented only under the supervision of the State appointed municipal commissioner/executive officer, who possesses executive powers. The role of other participants is to provide assistance on various technical, financial and legal matters.

Infrastructure projects to be implemented at the local level are identified by the decision-making group during municipal meetings. The matter is discussed in the meeting and a resolution is passed on the basis of majority of votes cast by the elected members present at the meeting of the urban local government. Municipalities can take a decision to undertake projects on their own involving expenditure up to a certain limit, and if their own resources permit them to do so. When expenditure for a proposed project exceeds the defined limit, or when the municipality does not possess adequate funds, administrative approval of competent authority at the State level is obtained. An application, along with information on the decision taken by the local government with



respect to implementation of identified infrastructure projects, and rough estimates and plans of the proposed work, is prepared under the supervision of the presiding officer and sent to the prescribed authority at the state/division/district level for their administrative approval/ratification and technical sanction.

Financial power to the Commissioner is up to 10 lacs and to the Empowered Standing Committee up to 25 lacs.

### 2.5.3 *Stakeholders Interviewed*

Since the Bihar Municipal Act 2007 is not framed by the Corporation, it is difficult to implement the functions as per the provisions made therein. Although the Mayor and Commissioner's role is satisfactory, the areas in which capacity building are needed are especially on the appointment of employees, training and PPP mode. Under the PPP mode, an advisory board should be constituted to augment its own resources and there should also be provision of reserve fund so that all the functions could be discharged as per the provision of the 74th CAA. Training should be imparted with proper planning. The relationship between councilors, bureaucrats and other staff is good and they are efficient and honest. They know the ground reality and are accessible to public. People have very high expectation from them but due to paucity of fund, it is difficult to fulfill their requirements. Our observations on Capacity Building are that more awareness to the elected representatives is needed especially about the rules and regulations. The roles and duties should be defined in the Act, more financial power should be given to strengthen the ULB and priorities should be settled first. Financial powers of the Commissioner and Standing Committee are up to 10 lakhs and 25 lakhs respectively. To understand the exact status of Capacity Buildings in PMC, separate meetings were arranged with each of the stakeholders.

The views of councilors based on the discussion held can be summarized as follows:

Majority was of the view that the 74<sup>th</sup> CAA has not been implemented completely. Parastatal agencies are not able to provide the essential services and infrastructure, as local level politics is an impediment to development in the city. Councilors are not taken very seriously in matters of importance. The coordination in times of decision-making between officials and elected representatives is not very good, which leads to delay in completion of projects. There is a lack of information regarding ward details with ward level officials also.

Underlying all of this is the problem of extreme revenue shortage in the municipality to undertake any development activity and lack of technical manpower to handle it. As result, day to day implementation also suffers. Since no regulatory procedure is adopted

regarding garbage disposal, electricity, water, etc, problems with regard to delivery of services such as water supply, drainage/underground drainage, sewerage, etcetera, arise. Issue of independent functioning of ULBs is also a concern as financial autonomy lies with the state government. Councilors are unable to show result to the people in their areas, as there is non-cooperation from the officials. There is lack of adequate competent technical staff to ensure compliance leading to the strongly felt view that there is an urgent need to formulate a municipal cadre.

ULB is not actively involved in any planning function and hence cannot ensure compliance due to lack of knowledge. With approximately 3,200, staff strength and acute shortage of resources in the municipality, there are regular disputes among staff as incentives are nil and responsibilities not defined. It has also resulted in adamant attitude of the officials in dealing with customers.

Major decision-making does not lie with the corporation or with the councilors as also financial powers, which does not help in the process of becoming self-sufficient. Priorities do not get fixed and majority of time is spent for non-development work.

#### *Officials View on Capacity Building:*

Since there is no rule related to capacity building in the Act, efforts are totally ad-hoc. Staff shortage enhances problem of enforcement and compromises on work quality. Staffing pattern requires serious re-structuring which would be possible with enhanced own source revenue generation for the municipality. Expectations of bureaucracy and State government are very high.

Internal restructuring of PMC is required through formation of a ULB cadre. Presently there is a lack of coordination and communication in the ULB. Officers only know their duties and Councilors do not know their duty know only their right. The powers and duties of both the Mayor and Commissioner should be clearly defined. Financial powers of the Commissioner should be increased. Sources of income within the ULB should be increased.

#### *Members of the Standing Committee and the Hon'ble Mayor's view on Capacity Building:*

There is a clear domination of Commissioner and officials, as a result of which elected representatives feel neglected, so much so that the ULB officials overrule the Standing Committee. Also, Councilors' do not have fund, which can be spend for the development of their area; Government of India allocates money, but it is sanctioned to other parastatal agencies of the state. Direct transfer of funds from the Central Government to the ULB is required. No role of the intermediary is required which would automatically streamline the system. In PMC, there is an established custom and procedure to bring

the issues of public need in board meetings. In the interest of public, proposals prepared by executive body are placed before elected body for approval, which is finally sent to the government.

#### 2.5.4 Conclusions

Capacity building has been so far accorded very low priority and is largely limited to administrative training. With regard to challenges/issues, a review committee is set-up under the chairmanship of Commissioner to monitor the situation. In the present context of rapid urbanization, the challenges/issues in ULB require not only specialized knowledge but also experiential learning to tackle the challenges faced by administrative machinery. The vast and diverse sets of changes that have taken place in the urban context, requires Urban Local Bodies, other civic institutions and State Governments to respond through making long-lasting structural changes, though not so easy to implement, as it creates significant changes in status-quo changes hierarchy and reporting relationships, requires realignment of many systems and processes, redefines responsibility, jurisdictions and mandates, and brings in new people into the structure that should be accommodated.

## 2.6 Surat

### 2.6.1 *City Profile*

Surat is a city located on the western part of India in the state of Gujarat. It is one of the most dynamic cities of India with one of the fastest growth rate due to immigration from various parts of Gujarat and other states of India. It is today, one of the cleanest city of India and is also known by several other names like "THE SILK CITY", "THE DIAMOND CITY", "THE GREEN CITY", etcetera. It has the most vibrant present and an equally varied heritage of the past. It is the city where the British first landed in India. The Dutch and the Portuguese also established there business centers in Surat, the remnants of which are still preserved in the modern day Surat. In past this was a glorious port with ships of more than 84 countries anchored in its harbor at any time. Still today, Surat continues the same tradition as people from all around the country flock in for business and jobs. Surat has practically zero percent unemployment rate and jobs are easier to get here due to very fast development of various industries in and around Surat City.

### 2.6.2 *Stakeholders Interviewed*

Discussions with Town Planner and Deputy Planner of SMC elaborated on the status of SMC's capacity building efforts going on from various sources.

#### Post JNNURM and 7<sup>th</sup> CAA- Structured and Systematic Capacity Building Efforts through both, Government and SMC led Initiatives

Prior to JnNURM efforts, capacity building of staff was done on an ad-hoc basis, usually by making department wise nominations in response to a training institute's announcement for a program. Post 7<sup>th</sup> CAA and JnNURM however, things have changed for the better.

Whereas, the City Development Plan (CDP) of Surat was prepared by CEPT (Center for Environmental Planning and Technology) along with SMC, the Corporation itself prepared the Detailed Project Report (DPR). Lack of staff and not the capacity of the existing ones is the challenge faced by the corporation.

Currently, the Human Resource Cell (HR Cell) in the Establishment section of the corporation is entrusted with the responsibility of assessing capacity building needs and staff requirement of each department. Training and department wise nominations for various capacity building efforts by training institutes is done on the basis of the City Training Plan thus prepared.

Organization and department level capacity building efforts are initiated by the SMC itself as per the Training Needs Assessment Plan.

Thus, government led capacity building efforts, those by state level institutions like SPIPA (Sardar Patel Institute of Public Administration) and CEPT, combined with efforts made by SMC in-house are enough to take care of the needs of the SMC staff.

Considering the fact that SMC increased its jurisdiction by three times, and the staff is able to manage the same is seen as one of the evidences of the above.

Having said that, there needs to be a revision in the framework and structure of the City

Training Plan, in light of the new urbanization induced challenges to make it more relevant in the current context.



Discussion with the Commissioner only reiterated and confirmed the issues raised by the officials. According to him, SMC already has quality and quantitatively satisfactory basic services, but need investment in social and economic sectors

Urban expansion has lead to increasing infrastructure demands in the city. Surat being one of the progressive cities has constantly strived to meet these demands and not only lived up to the expectations of the citizens, but also, constantly tried and improved to rise above the set benchmarks. Currently the citizens of Surat enjoy quality services, wherein the Water Supply System of the city has been certified by the ISO since the last 4-5 years.

The city now needs investments in infrastructure that enhances the socio-economic status of the city, like trading, high-end commercial complexes, education, health,

markets, energy, transportation, etc. Most of the functions mentioned in the 12<sup>th</sup> schedule were already being performed by the Corporation even before the 74<sup>th</sup> CAA.

Capacity building under JnNURM can be made more satisfactory and PIU and networks like PEARL can be made more impactful.

However, post-JnNURM capacity building efforts have not yielded satisfactory result. The institutions like Project Implementation Unit (PIU) can contribute more towards the helping the local bodies. A pre-launch needs assessment could have contributed towards making the above-mentioned institutions and networks more responsive and impactful.

The current capacity building needs are in terms of executing public-private-partnership (PPP) projects and detailed project report preparation (DPR) and the lower level staff needs it the most.

Other capacity building needs are for the political wing in terms of urban reforms.

While implementing capacity building efforts, one should also keep in mind the spirit in which they are propagated, they should not be imposed on the ULBs which lead to them being perceived as centre's dictate, rather be responsive towards specific needs of the ULBs.

Relationship between bureaucratic and political wing fairly good due to well defined functions in the Act.

The existing relationship between the political and administrative wing is fairly good owing to very crisply defined functions and lack of ambiguity in the Act. This results in smooth day-to-day functioning of the local body. The smooth functioning can also be attributed to the transparent procedures adopted by the standing committee and scrupulous implementation of the same. The presence of same political party in the State ensures ULBs' uninterrupted good performance.

Creation of Municipal Cadre- may breed corruption, can work in smaller cities not big ones

The corporation has been constantly recruiting for its managerial, planning and development needs itself. SMC is not dependent on the state for its recruitments. In recent times, implementing a municipal cadre system is being deemed as a solution for efficiently managing local bodies; the same has its own merits and demerits. Whereas it

may work well in smaller cities, it may perpetuate corruption and lead to wastage of knowledge in bigger cities.

Discussions with the Standing Committee Chairman and Mayor highlighted issues from the elected wing's side.

#### Capacity Building under JnNURM- slow efforts, needs of elected wings not a priority

Whereas, the efforts made under JNNURM for capacity building are good, they are definitely not adequate and lack the right pace. Especially those related to empowering local level institutions, like the ward committees that are still not functioning as desired.

The capacity building efforts under JNNURM are biased towards the needs of the executive wing and need to be sensitive towards the needs of the elected wing as well to make the overall efforts more efficient.

Further, any such efforts should be in the SMC itself to ensure better participation.

- 74<sup>th</sup> CAA has not resulted in delegation of power,
- Imbalanced power between Commissioner and Mayor,
- Development activities are executive wing driven

Even when the relations between the elected and bureaucratic wing is good, there is a strong discontentment with respect to the distribution of power between the Mayor and the Commissioner.

The Act defines the powers of the bureaucratic and elected wing in terms of those of the Commissioner and the Standing Committee only. Since the Mayor is not the Chairman of the Standing Committee in the city, and is not empowered by the Act individually, he often feels overruled by the Committee in case of decision-making. Even the 74<sup>th</sup> CAA has failed to impart the powers it was designated to give.

Having a Mayor in Council in the City shall be able to solve the problems related to imbalanced distribution of powers.

Discussion with key department heads such as Municipal Engineers, Chief Accounts Officers, Health Officers and Deputy Commissioners brought out very specific issues, which were common to what most officials felt.

### Organization of departments- decentralization and zonal division

The year 2006 onwards, the corporation administration was decentralized keeping in mind two modules i.e. to benefit citizens and strengthen the system. By decentralizing various public services being provided by Surat Municipal Corporation, a Zonal system was implemented. The city is currently divided into 7 zones, with each zone headed by a Deputy Commissioner. This enables decentralised decision-making which in turn improves governance.

### Establishing technical cell to support decision making- Tender Scrutiny Committee (TSC)

SMC has also established a TSC supported by a Research and Analysis Cell (RAC) to aid in procurement for corporation works. Sanction by the TSC is a mandatory step before any tender is put before the Standing Committee after it has passed through the relevant departmental checks. The TSC's work is supported by the Graduate engineers at RAC working directly under the Commissioner to aid in fact finding and information gathering for efficient decision-making. Thus putting qualified people to match the right posts ensures effective service delivery.

### Capacity building efforts- responsible for achievement of financial reforms, needs advanced capacity building to manage higher capital works and training of senior health professionals

All the financial reforms perceived under JnNURM have been achieved due to efficient capacity building. Even when the overall demand of the revenue taxes like the professional tax increased manifold after the transfer, the ULB has been able to handle it efficiently only due to capacity building and training efforts.

Having said the above, the corporation still needs building its capacities to handle advanced state of art information technology platforms and updating the computer knowledge of the staff to handle new urban challenges.

Both the per capita expenditure and infrastructural capital works value has gone up for the city. Whereas the former increased from Rs. 200-300 crores to more than Rs. 600 crores annually in the last ten years, the latter has been increasing and may shoot up to Rs. 1000 crore per annum, requiring advanced capacity building efforts to handle and manage such investments.

In terms of Urban Health, SMC takes care of continuous and regular training of its health staff through the Urban Health Training Centre in the Corporation. Considering



that the Solid Waste Management function is also under the Health Department, it employs permanent, contractual and daily wage staff. The training needs however are more for the senior level professionals in the training-of-trainer mode. Whereas, there are existing efforts, the same need to be scaled up to include more beneficiaries.

There is also a need to develop a Regional Health Training Centre with dedicated people responsible for organizing trainings in Surat to provide for the needs of the south Gujarat region. This may encourage participants who cannot travel to Ahmedabad for all the trainings.

Institutional structure and lack of dependence on State responsible for SMC's success-appreciation has provided motivation to do well.

Currently, SMC faces no serious gaps in terms of staff capacity for handling day-to-day functions of the local body. The dependence of the corporation on the State is also to the minimum, further, true to its progressive city image, SMC has initiated many innovative projects by hiring consultants with financial support of the state and the center.

SMC has also received a lot of positive appreciation in terms of best practice awards and accolades which has been acting as motivation, both for the citizens and the city officials to strive and achieve an efficient governance eco-system.

### CHAPTER 3

## SUMMARY OF CAPACITY BUILDING MEASURES AND ISSUES IDENTIFIED

### 3.1 *Capacity building Measures*

Discussions with various stakeholders at the city level have brought out some of the key initiatives which have led to building capacities in the cities, especially post the JNNURM as also some issues which have acted as impediments to the same.

It has been accepted by most of the cities visited that the impetus for capacity building has come with the launch of JNNURM as a key role of the Mission was capacity building in city management. Also the thrust to establish cities as engines of economic growth supplemented the impetus. While some cities have been able to put measures towards capacity building in place early on, most have taken advantage of central assistance in terms of financial and technical support in order to take this forward. Project specific capacity building through funding from bi-lateral sources have also created this opportunity for some of the cities.

Capacity Building measures most commonly are concentrated at the central level and state level. The key programmes undertaken towards the capacity building efforts at the Central level before and after JNNURM (as highlighted in the "Report of the Working Group on Capacity Building for the 12th Plan") is highlighted below:

#### CENTRAL LEVEL

Programme	Pre / Post JNNURM	Institutions involved	Details
PHE Training Programme	Initiated Pre-JNNURM	MoUD	Training to in-service Engineers and Para Engineering Staff of the various State Public Health Engineering Departments, Water Supply and Sewerage Boards, Urban Local Bodies etc.
Training of Elected Representatives	Initiated Pre-JNNURM	MoUD, provides financial assistance under its plan budget to State Governments.	The State Governments are required to nominate one State-level institute to conduct the training programmes of three days duration. State

			Governments are provided with lump sum financial grants @ Rs.2,500 per day per participant. Also, financial assistance (maximum Rs. 50,000) is provided to States for preparation of training modules
The Regional Centres for Urban and Environmental Studies (RCUES) at Lucknow, Hyderabad, Mumbai and the Centre for Urban Studies (IIPA), New Delhi were established in 1968 with the purpose of meeting the training and research needs in the urban sector in various States	Set up in 1968	Regional Centres for Urban and Environmental Studies	Centres assist the State Governments in disseminating information about the various policies and programmes of Ministry in the field of urban governance and also undertake research activities and organise training courses, seminars, workshops and conference, etc. on topics relating to Local Self Government, Urban Development, Urban Management, Water Supply & Sanitation, Property Tax, Municipal Audit and Accounting, Public Housing and Low Cost Sanitation and Urban Poverty Alleviation programmes etc.
Central Public Health and Environmental Engineering Organisation (CPHEEO)	Initiated Pre-JNNURM	Technical Arm of MoUD	Overall support for the urban water supply and sanitation sector which includes formulation of manuals and standards, appraisal of projects, formulation of schemes, monitoring of schemes etc.
Town and Country Planning Organisation	Initiated Pre-JNNURM	Under MoUD	Responsible for policy in the area of formulating Master Plans, urban design projects, tourism development plans, regional plans, empirical research studies in topical areas, manuals and guides on various aspects of planning and development,

			monitoring and evaluation of central sector schemes, information system, urban mapping, urban and regional development policies, development law etc.
Jawaharlal Nehru National Urban Renewal Mission(JNNURM)  Rapid Training Programme (RTP)	2005	MoUD State Government UIBs  MoUD through 6 institutions	Reform linked investment for 65 Mission cities over a 7-year period.  A programme to upgrade the skills of municipal and para-statal staff involved in service delivery in 56 cities (all Mission cities excluding the 7 Mega cities). The Modules covered Governance & Reforms, Supervision and Preparation of DPRs & Project Implementation & Management . Orientation programme for elected representatives to get sensitised on various aspects of the Mission relating to Governance and Reforms.
Peer Experience and Reflective Learning (PEARL)	2007	MoUD through NIUA	To develop and nurture sharing of experiences through experiential learning and through exchanges with the peer networks, a network of cities under six categories; PEARL fosters peer to peer learning, identifies knowledge gaps, promotes replication of best practices, etc.
National Mission Mode Project on E-Governance in Municipalities (NMMP)	2006	Through PMU in MoUD	Implemented initially with 35 cities with million plus population; Implementation of E-Governance solutions which will cover eight modules as envisaged in

			the detailed E-Governance design document under the NMMP project.
Regional Capacity Building Hubs (RCBH)	Following RTP, in second phase of JNNURM I	Implementing agencies are the Administrative Staff College of India, Infrastructure Development Finance Company Ltd., and CEPT University, Ahmedabad.	Regional Capacity Building Hubs have been identified covering the entire country into Six regions.
Capacity Building for Urban Local Bodies (CBULB)	2009	Through Centres of Excellence in 10 Institutes of repute.	Septage Management, Rain Water Harvesting, implementation of 24 X 7 water supply, Municipal and Financial Management, decentralized waste water management systems, curriculum for a post graduate course in Green Buildings, exposure to Urban Sector related issues to senior urban managers in the Government sector, specific issues related to urban transport, etc.
Capacity Building for Urban Transport	2009-14	MoUD through four Centres of Excellence in Urban Transport at CEPT University, Ahmedabad, IIT Delhi, IIT Madras and NIT Warangal to build the Technical and Knowledge Management Capacity in Urban Transport.	A major component is Training (for strategic decision makers, technical staff, operators, etc.) covering various areas such as sensitization, institutional development, financing and cost and benefit analysis, demand assessment, urban transport planning, modal integration, environment issues implementation, operations and traffic management.

Capacity building measures at city level have been very much dictated by state led efforts as well as dynamic city leaders. The states to have high achievements in capacity building are mostly Karnataka, Andhra Pradesh, Maharashtra, Gujarat, Tamil Nadu and

Madhya Pradesh. Needless to say that sample cities from among these states have also been ahead in their capacity building efforts towards strengthening their city governance. A table of some of the key capacity building programmes at the city level which have benefitted the ULB officials towards building their capacities towards better performance and managing service delivery are highlighted below:

Cities	Measures taken to build capacities	Institutional Support	Remarks
<i>Chandigarh</i>	<p>Capacity building through workshops, seminars and training programmes</p> <p>Computer and IT Training Cell e-Governance Capacity Building roadmap for Chandigarh</p> <p>Strengthening capacity and capability of personnel &amp; Capacity building in implementation and sustaining the water and sanitation programme</p>	<p>Central Government Government of Punjab, Haryana and Chandigarh Administration.</p> <p>IT Department, MCC, Chandigarh Administration</p> <p>WSP and MoUD</p>	<p>Need for Capacity Building recognised through 3 heads:</p> <ol style="list-style-type: none"> <li>1. Institutional Structure</li> <li>2. Resources</li> <li>3. Training Needs</li> </ol>
<i>Indore</i>	<p>Training of all Revenue Department staff</p> <p>WAC Programme-MP-Urban Project for Capacity Building</p> <p>Mobilization of financial resource- Capacity Building in order to sustain the reform process;</p>	<p>Institute of Management Studies, Indore &amp; Municipal Corporation;</p> <p>MP Government, ADB, ASCI and others.</p> <p>IMC &amp; USAID</p>	<p>The IMC with the help of Indo-USAID FIRE project, Institute of Management Studies (Devi Ahilya University, Indore) developed a comprehensive training program for elected representatives as well as corporation officials to enhance personal effectiveness and capacity building.</p>

	<p>MP UID Project- Bhopal, Indore, Jabalpur, Ujjain.</p> <p>Capacity Building Scheme for e-governance</p>	<p>GoI, GoMP and donors</p> <p>GoI</p>	<p>Improvement in municipal governance and attaining inclusive urban development through ULB level structuring and Directorate level structuring.</p> <p>NeGP- Establishment of an institutional framework for State Level Strategic decision- making including setting-up of State e-governance Mission Team (SeMT) and imparting specialized training, orientation program for them and other decision makers.</p>
<i>Missouri</i>	<p>Capacity Building for Decentralised Urban Governance through technical assistance to urban local bodies and promotion of partnerships with communities.</p> <p>The Urban Development Cell which will have strong networking with various institutions for the coordination and support related to all its training and other activities.</p>	<p>MoUD, GoI and UNDP since 2005. Government of Uttarakhand was the implementing partner.</p> <p>SIUD-Uttarakhand and HUDCO</p>	<p>The broad strategies include capacity enhancement of local bodies in local planning, administrative efficiency and civil service reforms.</p> <p>The Urban Development Cell has been established with a mission to build capacity of civil servants, engineers, development functionaries and elected representatives at the state as well as national level in the area of urban governance.</p>

	Uttarakhand Urban Sector Development Investment Program (UUSDIP)	ADB assisted program under Multi Tranche Financing Facility (MFF) to support GoI and GoU. The UDD of Government of Uttarakhand (GoU) is the EA for the programme.	Uttarakhand Urban Sector Development Agency -the IPMU has been established as an independent entity but under the overall regulatory control of the UDD.
<i>Nagpur</i>	Yashwantrao Chavan Academy of Development Administration	Municipal Governance and Management Cell, NMC	Networking and E-governance Diploma in Urban Management
	State Institute of Urban Development	NMC	Urban Housing; Traffic and Transportation
	All India Institute of Local Self Government	NMC	Job Specific Training
	E-Governance Foundation	NMC- Funded by Government of India, Government of Maharashtra and Nagpur Municipal Corporation	Capacity Building of officials to provide Integrated e-governance solutions to citizens
	VNIT	NMC	Disaster Management
	IIM Ahmedabad IIHR, Bangalore	Government of Maharashtra	Job Specific Training
	Urban Planning Institute, Singapore		Urban Management
<i>Patna</i>	Samvardhan -The Support Programme for Urban Reforms (SPUR) in Bihar;	Government of Bihar and the United Kingdom's Department for International Development (DFID);	The Capacity Building component of the programme envisages interventions at the State and ULB level as well as strengthen the capacities of ULBs to better manage urban areas.
	Indian Institute of Public Administration	Government of Bihar	Training programmes on specific topics
	State Level Capacity Building for Urban Development	Bihar Urban Development Mission	Urban Management Cell for Capacity



	<p>Programme</p> <p>RCBH Programme under JNNURM.</p>	<p>(BUDA), UD &amp; HD, GoB and CBUD</p> <p>MoUD and coordinated through CePT University, Ahmedabad.</p>	<p>Building Programme under JNNURM in Bihar</p> <p>Enhance the capacity of ULB officials for executing urban development schemes; The training for capacity building was conducted in nine thematic areas including urban poverty, urban management, financial management and project development, implementation and management among others.</p>
<i>Surat</i>	<p>The Gujarat Urban Development Company (GUDC)</p> <p>JNNURM Training programmes:</p> <p>RCBH</p> <p>Various training programmes related to urban transport &amp; Mobility</p> <p>ULB level need based training</p>	<p>State Government ULBs</p> <p>Supported by the Ministry of Urban Development through CEPT University</p> <p>CoE-UT in collaboration with the Institute of Urban Transport (IUT), New Delhi, MoUD and Ahmedabad Janmarg Limited</p> <p>Urban Management</p>	<p>Institutional capacity building for project implementation as well as advisory support to Urban Local Bodies (ULBs) in various aspects of capacity building, especially upgradation of management systems.</p> <p>Financial Management, Project Development, Project Implementation and Urban Management</p> <p>ITS BRTS</p> <p>Urban Sanitation,</p>

	programmes	Centre, Ahmedabad; Gujarat Urban Development & Urban Housing Department	Water Audit, GIS applications, Municipal Accounting, Data collection, Slum Survey etc.
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### 3.2 *Issues towards Capacity Building*

The research question based on which the study was structured, aimed at probing the basic question as to what were those measures that could be taken to build the capacities of Municipal Corporation as a self governing institution. Assessment of the above required discussions on issues which need to be addressed first to align the interests of stakeholders; why Government of India and states have not been able to still successfully implement a formalized capacity building strategy for ULBs; what are the circumstances in which elected representatives and officers of the ULB are performing; what are their actual training needs; and how could the capacities of ULBs be enhanced going beyond routine training.

Experience from around the country suggests that urban local bodies in India need to invest in systematic knowledge management. Rather than depending solely on capacity building activities that target individual capacity, the ULB should pursue institutionalisation of the capacity that is created.

There is a need to include governance reforms within urban local bodies to complement capacity building initiatives so that the knowledge can be sustained in the mid- to long-run. Thus there is a need to put in place knowledge interventions that can create a lasting impact.

The National Mission on capacity building for urban development identified certain challenges in Capacity Building, which can be categorised under:

- **Lack of explicit demand for specialized skills at the state and ULB level:**  
This has been one of the most pressing issues in the cities visited and matching skills to roles and functions performed become a serious impediment to efficient service delivery.
- **Lack of credible supply side institutions that provide specialised training and facilitate experiential learning:**  
While the initiative under 11th plan has resulted in emergence of such institutions, lack of such institution still remains to be a bottleneck. Programmes at the existing Administrative Training Institutes (ATIs) predominantly focus on general administration rather than the specific issue of urban management. Training is primarily classroom based and not suitable to the requirements of urban managers.

- **Limited central assistance to support capacity building:**

The Mid-Term Appraisal of the JNNURM outlines that developing soft infrastructure, which is a critical pre-requisite for the cities and states to steer inclusive and sustainable urban development, has decidedly been left to the states. It emphasizes the need for the central government to play a more proactive role in providing assistance to states and cities to build this soft infrastructure.

So the specific capacity gaps identified, though varying widely across ULBs, can be grouped under 3 heads. These are:

- (a) Limited availability of personnel with adequate skill sets;
- (b) Absence of suitable institutional framework and
- (c) Inadequate skill and capacity of the present personnel at all levels.

The professionalization of the urban cadre for effective urban management is the need of the hour. At present, most personnel engaged in management of urban affairs and municipal services are not trained. At every level, there is an acute shortage of trained manpower that has the capacity to deliver effective service delivery.

The institutional arrangements currently comprise of the Regional Urban Training Centres, and various administrative training institutes across the country. Given the lack of overall capacity, the smaller ULBs are not in a position to even articulate their demand for training. In this regard, the gap has somewhat been filled through the centres of excellence that specialize in specific areas. Thus there is an overall need to match supply with demand.

The training and capacity building efforts show that they are not evenly distributed. Many of the functionaries of the ULBs have never received any training in their entire career. Some of these concerns are addressed currently through JNNURM and initiatives taken by some of the States. However, this addresses only the need of a small number of ULBs and within them only a smaller number of people. The problem is indeed acute in smaller ULBs who are not so pro-active and also not exposed to all types of training programmes being provided by the institutes.

City wise issues identified from the discussions with officials and elected representatives can be categorised as below:

**Chandigarh:**

- Relations between Chandigarh Administration and Municipal Corporation are not cordial.
- Relations between Elected Representatives and Officials are not sound, which does not facilitate smooth functioning.
- Impact of Parallel Development Agencies

- Trainings for Building the Capacities of stakeholders
- Lack of transparency and accountability
- Focus is more on processes than the outcomes
- Incentivising merit

### **Indore:**

- Interest and ownership and vision for development of city is lacking.
- Lack of adequate technical staff
- Shortage of staff
- Capacity building measures in the municipality are more of an ad-hoc effort rather than demand based.
- Presently, training is project centric and limited to the staff working on the project and requirements of the project.
- Lack of internal capacity mandated the hiring of consultants for the job.
- Efficiency of the available staff is getting compromised as responsibilities do not match capacities / capabilities.
- Due to frozen recruitment rules, avenues for career enhancement are limited, which does not provide incentives to perform and hence leading to de-motivation.
- Exposure to training programme is restricted to only few departments and provided under specific projects funded through the donors.
- Most training institutes fail to deliver on this ground, as stress is more on theoretical knowledge and not on practical experience.
- Most trainings are routine and not demand driven.
- Too much centralisation of powers among the top tiers with almost nil accountability in the lower tiers makes decentralised decision-making difficult both due to limited capability and responsibility.
- Lack of competent staff in technical, revenue and accounting sections.
- Lack of adequate and organized efforts towards enhancing the capacity of the Council.

### **Mussoorie**

- Lack of proper categorization in municipal cadre, shortage of man power and no recruitment.
- No initiatives towards training of council staff at any level.
- Poor coordination and functional relations between 'Vidhayaks' and officials.
- Lack of technical know-how
- Frequent transfer of officers

- Lack of capacity and capability to explore ways and means to improve the financial health of municipality.

### **Nagpur**

- More power to be given to the elected wing i.e. the Mayor and motivation to councilors in the form of development funds as in Madhya Pradesh.
- More administrative and executive powers in the elected wing by empowering the Mayor and Standing Committee since these are the direct representatives of the citizens and hence better able to articulate their needs and act accordingly.
- The councilors have no motivation to work especially in view of their lack of power. Even the new councilors who come with a clear vision of development are discouraged due to lack of power. Not all the councilors have a voluntary work mentality.
- Since there is no rule related to capacity building in the Act, efforts are totally ad-hoc.
- Staff shortage compromises on work quality and enhances problem of enforcement.
- Staffing pattern requires serious re-structuring which would be possible with enhanced own source revenue generation for the municipality.
- Expectations of bureaucracy and State government are very high
- Decision-making powers are still with the state government, which sometimes causes delays in critical situations.
- Lack of Internal Coordination and Prevalent Corruption
- Post JnNURM- Lack of Capacity to Handle and Maintain Huge Infrastructure Projects.
- Inadequate staff and lack of motivation a major concern across all the departments leading to over utilization/exploitation of existing competent staff.
- Need for improved technical capacity, rethink the old establishment schedule and set up an Urban Management and Human Resource Management cell for in-house capacity building.

### **Patna**

- More awareness to the elected representatives is needed especially about the rules and regulations.
- Majority opinion was that the 74<sup>th</sup> CAA has not been implemented completely.
- The coordination in times of decision-making between officials and elected representatives is not very good, which leads to delay in completion of projects.

- Independent functioning of ULBs is also a concern as financial autonomy lies with the state government.
- ULB is not actively involved in any planning function and hence cannot ensure compliance due to lack of knowledge.
- With approximately 3,200, staff strength and acute shortage of resources in the municipality, there are regular disputes among staff as incentives are nil and responsibilities not defined.
- It has also resulted in adamant attitude of the officials in dealing with general public.

## Surat

- Department wise nominations in response to a training institute's announcement for a program.
- Lack of staff and not the capacity of the existing ones is the challenge faced by the corporation.
- Need for a revision in the framework and structure of the City Training Plan in light of the new urbanization induced challenges to make it more relevant in the current context.
- SMC already has quality and quantitatively satisfactory basic services, but need investment in social and economic sectors.
- Post-JNNURM capacity building efforts have not yielded satisfactory results for most cities.
- The current capacity building needs have shown that the lower level staff needs it the most as also the political wing in terms for urban reforms.
- The capacity building efforts under JNNURM are biased towards the needs of the executive wing and need to be sensitive towards the needs of the elected wing as well to make the overall efforts more fruitful.
- Even when the relations between the elected and bureaucratic wing is good, there is a strong discontentment with respect to the distribution of power between the Mayor and the Commissioner.
- The corporation still needs building its capacities to handle advanced state of art information technology platforms and updating the computer knowledge of the staff to handle new urban challenges.

### 3.3 Comparative Table

<b>Cities</b>	<b>Issues</b>	<b>Common Issues</b>
<i>Chandigarh</i>	<ul style="list-style-type: none"> <li>• Relations between Chandigarh Administration and Municipal Corporation</li> <li>• Relations between Elected Representatives and Civil Servants</li> <li>• Impact of parallel agencies</li> <li>• Trainings for Building the Capacities of stakeholders</li> <li>• Lack of transparency and accountability</li> <li>• Focus is more on processes than the outcomes</li> <li>• Huge Politician-Bureaucrat rift at city level</li> <li>• Lack of incentivising merit</li> </ul>	<ul style="list-style-type: none"> <li>• Relations between Elected Representatives and Civil Servants</li> </ul>
<i>Indore</i>	<ul style="list-style-type: none"> <li>• Interest and ownership and vision for development of city is lacking.</li> <li>• Lack of adequate technical staff</li> <li>• Capacity building measures in the municipality are more of an ad-hoc effort rather than demand based.</li> <li>• Presently, training is project centric and limited to the staff working on the project and requirements of the project.</li> <li>• Lack of internal capacity mandated the hiring of consultants for the job.</li> <li>• Efficiency of the available staff is getting compromised as responsibilities do not match capacities / capabilities.</li> <li>• Due to frozen recruitment rules, avenues for career enhancement are limited, which does not provide incentives to perform and hence leading to de-motivation.</li> <li>• Exposure to training programme is restricted to only few departments and provided under specific projects funded through the donors.</li> <li>• Most training institutes fail to deliver on this ground as stress is more on theoretical knowledge and not on practical experience.</li> <li>• Most training is routine and not demand driven.</li> <li>• Too much centralisation of powers among the top tiers with almost nil accountability in the lower tiers makes decentralised decision-making difficult both due to limited capability and responsibility.</li> <li>• Lack of competent staff in technical, revenue and accounting sections.</li> <li>• The lack of adequate and organized efforts towards enhancing the capacity of the Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Acute shortage of staff at all levels</li> </ul>
<i>Mussoorie</i>	<ul style="list-style-type: none"> <li>• Lack of proper categorization in municipal cadre,</li> </ul>	

	<p>shortage of man power and no recruitment</p> <ul style="list-style-type: none"> <li>• No initiatives towards training of council staff at any level.</li> <li>• Poor coordination and functional relations between Vidhayaks' and officials.</li> <li>• Lack of technical know-how</li> <li>• Frequent transfer of officers.</li> <li>• Lack of capacity and capability to explore ways and means to improve the financial health of municipality.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of adequate technical staff</li> </ul>
<i>Nagpur</i>	<ul style="list-style-type: none"> <li>• More power to be given to the elected wing i.e. the Mayor and motivation to councilors in the form of development funds as in Madhya Pradesh.</li> <li>• More administrative and executive powers in the elected wing by empowering the Mayor and Standing Committee since these are the direct representatives of the citizens and hence better able to articulate their needs and act accordingly.</li> <li>• The councilors have no motivation to work especially in view of the lack of power available to them. Even the new councilors who come with a clear vision of development are discouraged due to lack of power. Not all the councilors have a voluntary work mentality.</li> <li>• Since there is no rule related to capacity building in the Act, efforts are totally ad-hoc.</li> <li>• Staff shortage enhances problem of enforcement and compromises on work quality.</li> <li>• Staffing pattern requires serious re-structuring which would be possible with enhanced own source revenue generation for the municipality.</li> <li>• Expectations of bureaucracy and State government are very high.</li> <li>• Decision-making powers are still with the state government, which sometimes causes delays in critical situations.</li> <li>• Lack of internal coordination and prevalent corruption</li> <li>• Post JnNURM- lack of capacity to handle and maintain huge infrastructure projects</li> <li>• Inadequate staff and lack of motivation a major concern across all the departments leading to over utilization/exploitation of existing competent staff.</li> <li>• Need for improved technical capacity, rethink the old establishment schedule and set up an Urban Management and Human Resource Management cell for in-house capacity building-</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity building measures in the municipality are more of an ad-hoc effort rather than demand based.</li> <li>• Too much centralisation of powers among the top tiers with almost nil accountability in the lower tiers</li> </ul>



<i>Patna</i>	<ul style="list-style-type: none"> <li>• Observations on Capacity Building are that more awareness to the elected representatives is needed especially about the rules and regulations.</li> <li>• Majority opinion was that 74<sup>th</sup> CAA has not been implemented completely.</li> <li>• The coordination in times of decision-making between officials and elected representatives is not very good, which leads to delay in completion of projects.</li> <li>• Independent functioning of ULBs is also a concern as financial autonomy lies with the state government.</li> <li>• ULB is not actively involved in any planning function and hence cannot ensure compliance due to lack of knowledge.</li> <li>• With approximately 3,200, staff strength and acute shortage of resources in the municipality, there are regular disputes among staff as incentives are nil and responsibilities not defined.</li> <li>• It has also resulted in adamant attitude of the officials in dealing with customers.</li> </ul>	<ul style="list-style-type: none"> <li>• Frequent transfer of officers</li> </ul>
<i>Surat</i>	<ul style="list-style-type: none"> <li>• Department wise nominations in response to a training institute's announcement for a program.</li> <li>• Lack of staff and not the capacity of the existing ones is the challenge faced by the corporation.</li> <li>• Need for a revision in the framework and structure of the City Training Plan in light of the new urbanization induced challenges to make it more relevant in the current context.</li> <li>• SMC already has quality and quantitatively satisfactory basic services, but need investment in social and economic sectors.</li> <li>• Post-JnNURM capacity building efforts have not yielded satisfactory result in most cities.</li> <li>• The current capacity building needs show that lower level staff and the political wing (urban reforms) need it the most.</li> <li>• The capacity building efforts under JNNURM are biased towards the needs of the executive wing and need to be sensitive towards the needs of the elected wing as well to make the overall efforts more efficient.</li> <li>• Strong discontentment with respect to the distribution of power between the Mayor and the Commissioner.</li> <li>• The Corporation still needs building its capacities to handle advanced state of art information technology</li> </ul>	<ul style="list-style-type: none"> <li>• Set up State level Urban Management and Human Resource Management Institute for in-house capacity building.</li> </ul>

	platforms and updating the computer knowledge of the staff to handle new urban challenges.	<ul style="list-style-type: none"> <li>• Absence of Municipal Cadre which can address most of the issues</li> </ul>
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### 3.4 *Key Issues across Cities*

The most pressing issues, which cut across all the cities, can be detailed as below:

**1. Relations between Elected Representatives and Civil Servants:** There is pent up discord between elected and appointed officials, as the former do not have the real power in the affairs of the cities. Under such circumstances, any attempts to build the capacities of various stakeholders fail to make any impact. Though the elected body deliberates on policies and approves the budget, the Mayor ends up being a figurehead, which belies the conditions of 74th CAA. His power is only ceremonial as the real executive power remains with the Commissioner. As per the division of powers in the present Municipal Act, Bureaucrats enjoy all the executive powers and they do not have any incentive in sharing powers with the elected officials and they will never do so unless the Municipal Corporation Act directs them to do (as is seen in Chandigarh). The Mayor in Indore expressed the need to vest more administrative and executive powers in the elected wing by empowering the Mayor and Standing Committee since these are the direct representatives of the citizens and hence better able to articulate their needs and act accordingly.

**2. Acute shortage of staff at all levels:** This was the most talked about problem in the discussions in all the cities. Due to frozen recruitment in most states, no new personnel have been inducted in the ULBs. Due to recruitment rules in most states being such, avenues for career enhancement are limited, and do not provide incentives to perform which leads to de-motivation. This is a concern across all the departments leading to over utilization/exploitation of existing competent staff.

**3. Lack of adequate technical staff:** Efficiency of the available staff is getting compromised as responsibilities do not match capacities / capabilities. Staff shortage also compromises on work quality and enhances problem of enforcement. Incentives are nil and responsibilities not defined. Multi-tasking leads to roles and responsibilities not matching qualifications. This also leads to lack of ownership in the functions performed which hinders commitment to a common vision and mission, shared norms and values amongst staff and budgetary support are also low. Lack of motivation is a major concern across all the departments leading to over utilization/exploitation of existing competent staff in most cities.

**4. Capacity building measures in the municipality are more of an ad-hoc effort rather than demand based:** Training is project centric and limited to the staff working on the project and requirements of the project. It is restricted to only few departments and provided under specific projects funded through the donors. Most training institutes fail to deliver on this ground as emphasis is more on theoretical knowledge and not on practical experience and are routine

**5. Too much centralisation of powers among the top tiers with almost nil accountability in the lower tiers:** An organizational strategy for urban capacity building at the state and ULB level is lacking. This is evident through the absence of formal structures, dedicated cadres, staffing norms, organizational procedures, job descriptions and pay scales. Likewise, communication channels with the private sector and civil society in their current form are not very effective.

**6. Frequent transfer of officers:** This is linked to staff shortage as most municipal staff is on deputation from the State government and is assigned short-term postings. By the time they get involved in a department's work, they are transferred. They are aware of it; hence do not want to get involved in development work, only day to day fire-fighting.

**7. Set up State level Urban Management and Human Resource Management Institute for in-house capacity building:** One of the main reasons cited for ad-hoc capacity building efforts was lack of local training institutes which would cater to the capacity building needs of the ULB staff and elected representatives within the state. The institute at state level is more suited to train people of that state, as they best understand local level issues. Resource persons in these institutes need to be from within the state in order to complete optimization of the facility.

**8. Absence of Municipal Cadre which can address most of the issues:** Every city except Surat was of the view that setting up of the Municipal Cadre was a must and would go a long way in addressing capacity building and overall governance and service delivery issues. Independent functioning of ULBs is also a concern as financial autonomy lies with the state government, since most officials are deputed from the state itself. ULB is not actively involved in any planning function and hence cannot ensure compliance due to lack of knowledge.

## CHAPTER 4 FRAMEWORK FOR RECOMMENDATIONS

### 4.1 *Addressing the Capacity Deficit*

Tackling the capacity challenge should be a key endeavour during the 12th Five-Year Plan period. To achieve visible outcomes a series of policies and institutional measures that proactively steer capacity building efforts at the central, state and ULB level are essential. These efforts should be supported by predictable financing, precede project implementation and be an integral part of the urban development agenda. With a view to emphasize the importance of capacity building it is to be ensured that it receives the much needed attention, finances and leadership across all levels of Government. The Comprehensive Capacity Building Scheme is a step in that direction. The scheme funds various capacity building programmes e.g. preparation of comprehensive human resource policies including the creation of the municipal cadre, provisioning of staff, implementation of e-governance initiatives and setting up of world-class urban management institutes.

The previous chapter has highlighted the city wise issues as well the common ones, which cuts across all the cities. Overall larger issues are the same while local issues may be different. Most reports and studies on assessment of capacity building have strategized the framework at central state and ULB level only. Actions to be taken to put a state level framework in place would need interventions from both.

### 4.2 *Specific Recommendations (City-wise)*

Among all the cities visited and detailed discussions held, it was seen that Surat and Indore and Nagpur were comparatively in a better position in terms of capacity development of officials and representatives. Mussoorie has had the least intervention in terms of capacity building and Patna followed close. Chandigarh was a unique case because of its status as a Union Territory. In spite of its awareness level and capacity of officers to tackle responsibilities being better than others, strained relations between the Administration, State Government and City Corporation in day to day functions was a serious impediment towards a common development vision.

Some of the city specific suggestions, which arose through the discussions and were common for most cities are highlighted below, details of which have been discussed in the city reports:

**Much of the current training programs focus on technical aspects** of the programs rather than on a wider political and social scenario. Councilors should be trained in local rules of Municipal Corporation and basic sections of the Act (relevant to their work). Elected officials need to be trained in local language in order to reach to their level. Demand driven customized efforts should be emphasized.

**The urban reforms, mandated by JNNURM have contributed in initiating the process of strengthening Urban Local Bodies.** While many stated that these reforms are difficult and often there are capacity as well as resource issues in undertaking these reforms, the unanimous view was that mandating reform by Government of India and linking the same to assistance to State creates incentives to undertake the reforms. However, cities demanded requisite flexibility in undertaking these reforms. Hence the national urban renewal mission should mandate all the reforms including second-generation reforms but provide requisite flexibility to States to undertake the same by intelligently designing score system for completing the reforms.

**Since the national government has the backing of the constitutional Amendment Act,** it can force the states to go for complete devolution as prescribed by the 74<sup>th</sup> Constitutional Amendment Act. Transfer of subjects like urban planning, land use and socio economic development can be transferred to the city governments.

**Currently, the balance of power is tilted in the favor of bureaucracy.** This is against the essence of 74<sup>th</sup> Amendment Act. If powers of Mayor and elected body are increased, senior politicians will aspire to get elected. Mayor in Council system is a good example and is working well. Indore is a good example.

**At present, most of the city governments are providing only public goods** like water supply, sewerage, sanitation and roads. This is time to get beyond these managerial functions. City government can be given developmental and distributional functions. There is no need of multiple bodies doing same thing.

**All capacity building efforts should be addressed through proper resource persons** and it should be designed towards sustainability. Most training institutes fail to deliver on this ground, as stress is more on theoretical knowledge and not on practical experience. Learning through exposure visits and seeing good initiatives goes a long way in training.

**Cadre structure in municipal services** to include municipal services, accounting services, revenue services, personnel services, etc,: In the short and medium term, enabling framework must be created for allowing the ULBs to hire required personnel.

In the long run, efforts may be made to create a professional cadre. This may also require that while undertaking the reforms of transfer of 18 functions listed in schedule 12<sup>th</sup> of the Constitution to municipal bodies, the States may transfer the personnel and posts deployed in the Departments which are currently looking after these functions

**Most government efforts at training are routine and not demand driven.** All tiers of officials should be brought under the purview of capacity building efforts. Enhancing capacity of 2nd and 3rd tier level officers through proper training will only ensure responsibility and accountability in delivery of functions. In addition, the capacity building programme should follow the principle of 'Just in Time approach'.

**A self assessment of the Corporation as a mechanism for effective governance** needs to be ensured periodically to improve performance and service delivery. The vision of the elected head goes a long way in providing improved governance but the willingness and capacity of the technical staff should match these efforts.

**A need for an urban sector specialist to be deputed in the Nagar Nigam** is felt. If the planning process in the urban sector is strengthened governance will improve on its own.

**There is a need to establish a state training and resource centre** that relies on locally available resource persons for imparting training and fulfill knowledge needs like in many states.

#### **4.3** *General Strategies*

The capacity building of the Urban Local Bodies has to be carried out in a phased manner and includes short term and long-term strategies. There is a need for a Vision and Framework at National, State and City level. The short-term focus is on consolidating information on training materials already available, identifying individual trainers and institutions, conducting TOTs in the specific domains already identified and conducting training programmes for ULBs. Towards this end, the material for training has been developed jointly by the Government and Capacity Building initiatives for other cities. The Ministry has come up with a broad policy framework for capacity building to strengthen the institutional arrangements also including involvement of private institutions, encouraging academic and professional institutions to introduce courses for urban managers, creating a professional municipal cadre, etc. This has been operationalised through the capacity building toolkit for the CBULB project (Capacity Building for ULBs) as also the CBUD project (Capacity Building for Urban Development) project for state level and city level.

Capacity building of key stakeholders including elected representatives is being accorded priority including coordination and monitoring of various initiatives. Towards this, adequate capacity at the National Level has been built to ensure robust implementation. All of the schemes and implemented projects are continuously

evaluated against verifiable and measurable indicators for effectiveness and outcomes. Creation of an umbrella framework where national and state level entities are brought on a common platform to expand training opportunities has also been initiated.

An important point to mention is that capacity building initiatives so far has been supply driven rather than demand driven. So all effort now is to make it so to the extent possible. Bottoms-up approach in assessing the training needs at the state and city level is being followed while formulating CB schemes.

#### **4.4** *Long and Short Term Capacity Building Initiatives*

As reiterated in most of the recent reports, the long term Capacity Needs are addressed through Academic and Professional Institutions which is encouraging and supporting in introducing courses aimed at improving Urban Management. Efforts in this regard have been initiated. Induction training for key policy makers and administrators on Urban Management is encouraged at all levels. Since the existing institutes impart the training, course materials suitable for the capacity building of ULB staff have been included in regular training modules, or they are introducing such courses in their institutes. While identifying the training institutes, utilizing the capacity available with RCUES, NIUA, NEERI, AILSG and Administrative Training Institutes set up at State levels, will be given priority over other centers set up by NGOs and other authorities. Moreover, such training institutions will have to ensure proper participation of ULB's staff.

Since the objective is to train the employees to perform their duties properly, those who have already got the requisite training are not eligible for repeat training. However, short duration refresher trainings are given to them after a gap of reasonable period, say 5 years. States and Cities are also encouraged to identify critical gaps in availability of trained manpower.

**At the central level** the framework for capacity building can be put in place through a combination of long term measures such as creating a municipal cadre and providing administrative and training support for it; comprehensive HR strategies at central and state level; strengthening existing institutes of urban management, etc. Most of these are already in place or are being put in place except the municipal cadre.

Create a Municipal Cadre: A Municipal Cadre, covering the key areas of modern day urban governance and capable of meeting the ever increasing complexities in city management is an absolute necessity. Suitable recruitment rules, training environment and an attractive career path should be put in place. States need to be suitably incentivized by the centre for creation of municipal cadres.

Creation of a separate division or Cell for Capacity Building at Central level: Dedicated leadership is essential for a large scale capacity building program to succeed as there is an urgent need to augment the planning, monitoring, and evaluation of capacity building initiatives. It should look into the aspects of demand creation, augmenting supply side, strengthening linkages between institutions and cities, identifying new areas of capacity building, evaluating the impact of programmes, etc.

Address supply side gap in capacity building: Supply side constraints posed major hurdle to capacity creation under 11th plan. For addressing supply side constraints, preference should be accorded to re-orienting and augmenting such capacities in the existing institutions, both at the national and the state level. However, wherever necessary, separate institutions may also be created.

**Likewise at the State level,** interventions which are more capable of addressing local level issues, need to be made:

Set-up/strengthen Training Institutes: While establishment of a separate institute for capacity building in the urban sector is the preferred option for all states, there is a need for states with relatively low urbanisation rates to establish an urban cell in the existing Administrative Training Institutes (ATI's). This should be factored into a state's capacity building strategy. The state governments should make a significant contribution towards establishing these centers to create a sense of ownership. Also a provision for state governments for entering into Memoranda of Understanding (MoUs) with other institutions such as Administrative Staff College of India (ASCI), CEPT University, Centre for Science and Environment (CSE), The Energy Research Institute (TERI), Management Development Institute (MDI), Centre for Good Governance (CGG), Tata Institute for Social Sciences (TISS), All India Institute of Local self Government (AIILSG), Centre for Urban Studies of IIPA, the Human Settlements Management Institute (HSMI) of HUDCO, Institute of Urban Transport (IUT) or some of the other state level institutes which have the capacity to serve the needs of states should be made.



#### **4.5** *Capacity Building: Detailed Strategies and Recommendations*

There is a near consensus that building capacities in urban sector is one of the key tasks for successful urbanisation.

##### *Approach to Capacity Building in urban sector*

The Committee endorses the recommendations of the 12th plan that a common theme in all desired strategy should be adoption of a modern "Task Aligned" (TA) and "Just in Time" (JIT) approach to ensure that supply-side capabilities meet the demand side needs.

The Arun Maira Committee (Unpublished - 2013-14) recommends building appropriate institutional arrangement to drive the CB programme. As a general approach, both the Ministries should strengthen the existing institutions. Only in such cases where requirements of CB programme cannot be addressed by existing institutions, proposal for new institution should be entertained.

Comprehensive training gap analysis should be carried out immediately. Ministries would approach the State Governments to kick-start the process.

Recommended strategies for building capabilities in urban sector

##### **Strategy: 1: Train elected representatives**

Elected representatives are the drivers of change in management of cities. MoUD, in consultation with MoHUPA and Planning Commission should draw a time bound programme for training elected representatives at municipal level. While organizing such training, partnership should be developed with the already existing Administrative Training Institutes (ATIs)

##### **Strategy: 2: Build Municipal Cadres:**

The 12th plan has recommended creation of municipal cadre. However, the Committee notes that given the poor financial condition of ULBs, many States/ULBs may not be in a position to recruit municipal cadres. In this regard, the Committee recommends as follows:

Creation of appropriate municipal cadre should be a mandatory reform under JNNURM.

- (i) Presently, besides inadequate number of Municipal employees, the situation is further exacerbated due to majority of these employees in relatively junior positions. These issues have been examined in detail in draft report of the World Bank in the ongoing project of Capacity Building of Urban Local Bodies (CBULB). Besides, various other expert bodies are also highlighting the mismatch between the task envisaged under 74 Constitutional Amendment Act and present staffing pattern of the municipal bodies.
- (ii) GoI may meet full training cost of such cadres from the Capacity Building (CB) component of JNNURM and explore the feasibility of other assistance to the States required for establishment of municipal cadres.

### **Strategy: 3: Access market based solutions**

In the short and medium term, ULBs may be facilitated to procure relevant knowledge from the market. This approach not only allows access to a larger pool of experts, it also facilitates adoption of "Task Aligned" (TA) and "Just in Time" approach of creating capabilities. In this regard, the Committee recommends adoption of procurement process, which ensures selection of only suitable entities. In addition, an appropriate state level institutional structure is recommended to steer the capacity building initiatives. In order to further stream line the process, the Committee recommends that the entity from which knowledge are being procured are accredited so that the quality of the knowledge product is ensured.

### **Strategy 4: Capacity building through partnership:**

The recommended strategy may have following broad sub-strategies:

Engaging Non-Governmental Organizations:

Ministry of Rural Development has taken an initiative to accredit suitable NGOs for their engagement by the Local level Governments to partner in the Capacity Building effort in rural sector. The Committee is of the view that similar arrangements may be made in the urban sector too and recommends as follows:

The Central fund for Capacity Building may be utilized by the State Governments/ULBs to engage NGOs for selected tasks like training of the elected representatives and strengthening community partnership especially for schemes like slum rehabilitation, urban poverty alleviation, financial inclusion etc.

Engaging Multilateral/International Institutions/Funds etc.

There are many reputed international bodies which have evinced interest in promoting efficient urbanisation in India. Sometimes, they are willing to provide funds too for specific outcomes. To take maximum advantage of these opportunities, the Committee recommends that as a general approach, the funds offered by Institutions like the World Bank, ADB, KfW, JICA, DFID etc. may be encouraged to fund projects of demonstrational nature within the platform of JNNURM/RAY. The share of Government of India may come from these schemes.

Encouraging partnership with other smart cities in the world:

There are also instances where a foreign city has evinced interest in developing a partnership with Indian cities. As a policy, MoUD and MoHUPA may encourage interested cities outside India to develop partnership with interested Indian city for facilitating exchange of knowledge.

#### **Strategy 5: Use E-Governance and other smart technologies for building capacities**

Adoption of E-Governance has been mandated as reform under JNNURM. Similarly, RAY and NULM also encourage adoption of e-governance at municipal level. The Committee recommends development of a national level architecture with flexibility for state specific customization.

#### **Strategy 6: Building capacity through engaging citizens in urban governance**

The Committee recommends appropriate engagement of citizens in urban programme, which may provide a valuable means to track service delivery and identify service gaps.

#### **Strategy 7: Build Knowledge centres at National/State/City level:**

The Committee is of the view that knowledge centres on identified themes viz. promotion of PPP in urban sector, monetization of land and other financing methods, urban transport, water supply and sanitation, slum rehabilitation etc. should be encouraged at the State and the national level. These knowledge centres may be appropriately linked to each other so that a network of such centres emerge which encourages cross fertilization of ideas. While funds from CB may be admissible for creation of these knowledge centres, the Committee recommends that such funds must not be used for acquiring building or other administrative items. MoUD should draw a negative list for limiting use of such funds so that the efforts remain focused.

**Strategy 8: Raise awareness among the key policy makers on Capacity Building**

The Committee is of the view that lack of awareness among the key urban policy makers at State level would seriously undermine the CB efforts. In this regard, Hence it recommends that report of the Working Group on CB under Dr. M. Ramachandran and major recommendations in the 12th plan as well as those contained in the report of the Isher Ahluwalia led HPEC be circulated to all the States/UTs and Million plus cities with recommendations to draw appropriate action plan based on strategies enumerated in the report.

*Institutional structure for Building Capacity in urban areas*

The Committee is of the opinion that for successful implementation of recommended strategies, appropriate institutional structure would be required at different levels of Governments. In this regard, the Committee recommends as follows:

**a) Identify and nominate suitable officers who would drive the CB initiative:**

Programme Management Unit (PMU) and Project Implementation Unit (PIU):

Under JNNURM-I, there is provision of engaging PMU at the State level and PIU at the ULB level. The committee recommends that PMU and PIU are appropriate structures for building capacities in Just in Time and Task Aligned approach and hence should continue under the JNNURM. However, there is a need to study the reasons for difference in performance in these units. MoUD would quickly examine the issue so that suitable guidelines are issued before sanctioning these units under JNNURM.

**b) Mission Units:**

i) Mission units may be established at ULB and State levels. To start with, such Mission units may be established for poverty alleviation and slum rehabilitation. Remuneration for resource personnel for these units at ULB levels be admissible under the CB component of JNNURM/RAY/NULM.

ii) Mission units at State level should be staffed by the State Government. Salary of such employee should be borne by the State Government.

**c) Establishing State level Institutions like TNUDF/KUIDFC**

The experience of States like Tamilnadu, Karnataka etc. in terms of formation of State level institutions like Tamil Nadu Urban Development Fund (TNUDF) and Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC) have shown that if properly nurtured, these organization serve multiple purposes. The Committee therefore recommends that MoUD may facilitate sharing of the experience of funds like TNUDF and encourage other states to set similar institutional structures. The one - time cost of setting such structure and remuneration to resource personnel for establishing knowledge centres within these State level institutions may be made admissible under CB components for which Ministry may propose a ceiling.

### *Miscellaneous*

#### Capacity Building for PPPP projects :

The 12th plan has envisaged that almost 48% of investment in infrastructure should come from private sector. In this regard, development of standardized bidding documents for PPPP in urban infrastructure projects like water supply, sewerage, solid waste management and affordable housing may lead to positive outcomes. MoUD/MoHUPA may therefore establish appropriate cells to develop these documents and provide necessary support for undertaking PPPP projects.

#### Funding for Capacity Building projects:

The Committee recommends that unless there is a prior approval of the Competent Authority to the contrary, all CB activities should be financed 100% through central assistance as this would address the issue of lack of enthusiasm at the State/city level. For operationalizing it, the funding pattern of CB projects may be proposed accordingly at the time of seeking approval for launching JNNURM-II.

## **APPENDIX I: Bibliography**

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## **APPENDIX II: Source of Information**

Primary sources of information obtained from the individual interviews as well as focus groups as mentioned below.

### **Chandigarh**

- Ms. Anu Chatrath, Former Mayor
- Dr. Roshan Sunkaria , Commissioner
- Mr. P. S. Aujla, Former Commissioner
- Ms Kamlesh, Former Mayor
- Mr. Ram Sumer Morya, Councilor
- Mr. Gurcharan Das Kala, Councilor

### **Indore**

- Mr. YogendraSharma, Commissioner
- Mr. Sunil Garg, OSD to Commissioner and Finance Officer
- Mr. Narender Singh Tomar, Superintendent Engineer
- Mr. Vinod Saraf, Chief Engineer Water Works
- Mr. Jain, City Engineer
- Dr. Garg, Chief Health Officer
- Mr. Kasak, Administrative and Law Officer
- Mr. KrishnamurariMoghe, Mayor
- Mr. Jawahar Mangwani, Member
- Mr. Jawahar Mangwani, Member

### **Mussoorie**

- Mr. O.P. Uniyal, Chairman
- Mr. Rohitash Sharma, Executive Officer
- Members/Corporators/Stake-Holders



### **Nagpur**

- Mr. Mahesh R. Gupta, OSD to Commissioner
- Prof. Anil M. Sole, Mayor
- Mr. Sandeep Chanderbhan Jhadhav, Deputy Mayor
- Mr. Dinanath Padole, MLA and Trustee of NIT (appointed by Maharashtra Govt.)
- All HODs in the Corporation in a joint meeting
- Mr. Sunil Gujjelwar, Superintending Engineer (NIT)
- Trustee's View
- Chairman of Standing Committee

### **Patna**

- Additional Commissioner, PMC
- Officials of PMC
- Councilors
- Members of the Standing Committee.

### **Surat**

- Mr. N.K. Das, Commissioner, SMC
- Mr. D. Basak, Town Planner (rank of Ex-Engineer)
- Mr. Ashwin, Deputy Planner since 1996 in SMC
- Mr. J.M. Patel, Dy. Commissioner – Planning and Development
- Mr. Sharad Mehta, Dy. Commissioner - Finance
- Chief Accountant Officer

### **APPENDIX III: Questionnaire in English**

#### **1. Citizen interaction with councilors/bureaucrats, etcetera.**

What kind of problems/issues do people normally bring to you?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

How do you solve these problems?

#### **DELIBERATIVE AND POLICY MAKING ROLE**

##### **1. Perception of role**

What are the main needs/problems of your city?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

What kind of strategy (local development strategy) and financial planning has been made by the City Corporation to cope with these problems?

##### **2. Access to information and policy analysis**

What kind of policy related information is accessible to you, upon which you can base your policy decisions? What are other sources of information for policy making?

##### **3. In House/Institutional vision**

How do elected representatives bring urgent issues of public need on agendas for the house-meetings? How productive and fruitful are the discussions held in general house?

### **ON COLLEAGUES (COUNCILLORS, BUREAUCRATS, OTHER STAFF)**

What is your impression of your Colleagues in your Municipal Corporation?

Are they efficient, honest?

Do they have the knowledge of the ground level reality?

Are they accessible to public?

How are the relations of elected representatives with Civil Servants?

What kind of problems do elected representatives face while dealing with civil servants?  
Does the elected body have enough powers in policy making and getting it implemented?

### **ON MUNICIPAL CORPORATION AS AN INSTITUTION**

How is Municipal Corporation as an Institution regarded among the citizens?

Do you feel that there is a need in the change in the provision of Act? If yes, what clause you would like to get amended?

What is the term of the Mayor and what are the Mayor-Commissioner relations?

### **ON STATE GOVERNMENT**

Is the role of State government in promotion of grass root level democracy positive with regard to affairs of Corporation?

Why is the state government not transferring all the departments to MC as mentioned in 74<sup>th</sup> amendment if they want to positively guide the Corporations in the overall development of the city?

Is it not transferring powers to Municipal Corporation as it is felt that the latter is not very competent as an organization and its functioning is spoiled by petty political matters?

### **GENERAL QUESTIONS**

What has prevented the ULBs to utilize the fund meant for the capacity building or seek more funds proactively?

What are the areas in which capacity building are needed? What should be specific deliverables for each of these capacity building?

What should be the desirable approach to ensure capacity building of elected representatives in ULBs for ensuring a larger political ownership of Urbanization agenda?

What prevents the office of elected representative (Mayor) in the ULB to function as an overarching authority for the governance of the city?

What should be the specific measures to ensure that city governments get managerial cadre for conceiving, designing and executing complex infrastructure projects?

What should be the role of Central Government and State Government to ensure that capacity building programs at ULB level are implemented properly?

What can be done to build capacities of ULBs for understanding complex contractual projects under PPP mode?

### **TRAINING EXPERIENCE AND ATTITUDE TOWARDS TRAINING**

What are the issues around which a new elected councilor should be trained?

What kind of training you are already getting?

How do you rate them?

Who is training you?

Do you want any change?

**Name (If you want to disclose)**

**Designation (If you want to disclose)**

**Area of Operation/Ward (If you want to disclose)**

## **General Questions**

- Do you think that the 74<sup>th</sup> CA Act has seen successful implementation in the Corporation?
- How far has the implementation led to successful transfer of the 12<sup>th</sup> schedule?
- Do you think the devolution of 3 Fs (funds, functions and functionaries) has been possible within the institutional setup?
- To what extent do relations and linkages affect the implementation of Missions like JNNURM?
- To what extent has the existing allocation of responsibilities affected the implementation of capacity building initiatives in the ULB?
- What have been the key capacity building initiatives at state government and ULB level?
- Is there a gap between the on-going efforts and what areas where capacity building is urgently required? What should be the specific deliverables at each stage/level or the desirable approach with each effort?
- What should be the role of Central Government and State Government to ensure that capacity building programs at ULB level are implemented properly?

## **Some Questions specific to the Commissioner**

- How is the relation between the Bureaucracy and Elected wing?
- What do you understand by capacity building?
- What should be the specific measures to ensure that city governments get managerial cadre for conceiving, designing and executing complex infrastructure projects?
- Do you think capacity building efforts in the ULB have been sufficient to bring in the required change within the institution? If yes, how? If not, what are the impediments-conceptual or implementation related?
- What should be the next steps forward?

## **Some Questions specific to the Mayor**

- How is the relation between the Bureaucracy and Elected wing? Does the Bureaucracy and elected wing do their work in sync?
- In your view, how successful do you think has capacity building efforts been in the ULB? Has it been sufficient for elected representatives to be given all responsibilities in decision making?
- Do you think capacity building efforts for the elected representatives' match with their vision of 74<sup>th</sup> CAA and JNNURM?
- What do you think should be the way forward in bringing about a better managed system within the decentralised framework?

## APPENDIX IV: Questionnaire in Hindi

### प्रतिरूप साक्षात्कार प्रश्नावली

समाज और प्रतिवादी में मध्य परस्पर बातचीत

पार्षदों/नौकरशाहों आदि के साथ नागरिकों की बातचीत

सामान्य रूप से जनता किस प्रकार की समस्याएं/मुद्दें आपके पास लाते हैं?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

आप किस प्रकार से इन समस्याओं का समाधान करते हैं?

वित्तीय और विकास के मुद्दों से संबंधित अवलोकन

विचारात्मक और नीति-निर्माण में भूमिका

#### 1. भूमिका की अवधारणा

आपके शहर की प्रमुख आवश्यकताएं/समस्याएं क्या हैं?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_



इन समस्याओं का सामना करने के लिए सिटी कार्पोरेशन के द्वारा किस प्रकार की कार्यनीति (स्थानीय विकास कार्यनीति) तथा वित्तीय योजना बनाई गई है?

### 1. सूचना और नीति-विश्लेषण

आपको किस प्रकार की नीति-संबंधी सूचना सुलभ है, जिसे आप अपना नीति निर्णय का आधार बना सकते हैं? नीति निर्माण के लिए सूचना के अन्य स्रोत क्या हैं?

### 2. आंतरिक/संस्थागत दृष्टिकोण

### 3.

चयनित प्रतिनिधि किस प्रकार जनता के अति आवश्यकता मुद्दों को हाउस मीटिंग में शामिल करते हैं? जर्नल-हाउस में हुई चर्चाएं कितनी लाभदायक हैं?

सहकर्मियों से संबंधित ( \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ )

आपके नगर निगम में अपने सहकर्मियों के विषय में आपके क्या विचार हैं? क्या वे कुशल, इमानदार हैं? क्या उन्हें बुनियादी स्तर की वास्तविकता का ज्ञान है? क्या वे जनता के लिए उपलब्ध हैं? सिविल सेवकों के साथ चयनित प्रतिनिधियों के संबंध किस प्रकार हैं? सिविल सेवकों के साथ कार्य करते हुए चयनित प्रतिनिधि किस प्रकार की समस्याओं का सामना करते हैं? क्या चयनित निकाय को नीति निर्माण और उनके कार्यान्वयन हेतु पर्याप्त अधिकार प्राप्त हैं?

### एक संस्था के रूप में नगर-निगम

किस प्रकार नगर-निगम को नागरिकों के मध्य एक संस्था के रूप में माना जाता है? क्या आप ऐसा अनुभव करते हैं कि अधिनियम के प्रावधान में परिवर्तन की आवश्यकता है? यदि हां, तो कौन सी धारा में आप संशोधन करना चाहेंगे? महापौर और महापौर-आयुक्त के कार्यकाल के संबंध में आपके क्या विचार हैं?

### राज्य सरकार के संबंध में

क्या निगम के मामलों के संबंध में बुनियादी स्तर के प्रजातंत्र को बढ़ावा देने में राज्य सरकार की भूमिका सकारात्मक है? 74वें संविधान संशोधन के अनुसार यदि राज्य सरकार शहर के समग्र विकास में निगम

को सकारात्मक मार्ग दर्शन करना चाहती है तो वह सभी विभाग नगर निगम को हस्तांतरित क्यों नहीं कर पा रही है ? राज्य सरकारें अपनी शक्तियां नगर निगम को इसलिए हस्तांतरित नहीं कर रही क्योंकि वे ऐसा अनुभव करती है कि वे उत्तरार्द्ध में एक संगठन के रूप में बहुत सक्षम नहीं होंगे तथा इसकी कार्यप्रणाली छिट-पुट राजनीतिक मामलों के द्वारा खराब हो सकती है।

### सामान्य प्रश्न

क्षमता निर्माण के लिए निर्मित निधि का उपयोग करने अथवा लगातार और अधिक धनराशि की मांग करने में शहरी स्थानीय निकायों पर क्या प्रतिबंध है?

कौन से क्षेत्रों में क्षमता निर्माण की आवश्यकता है? प्रत्येक क्षमता निर्माण के लिए क्या विशिष्ट सामग्री होनी चाहिए?

शहरीकरण की कार्यसूची के राजनीतिक स्वामित्व को सुनिश्चित करने के लिए शहरी स्थानीय निकायों में चयनित प्रतिनिधियों की क्षमता निर्माण को सुनिश्चित करने के लिए अपेक्षित प्रयास क्या होने चाहिए?

शहरी स्थानीय निकायों में चयनित प्रतिनिधियों (महापौर) के कार्यालय में, एक मुख्य प्राधिकरण के रूप में, शहर के शासन में कार्य करने में क्या बाधाएँ हैं?

बुनियादी ढांचे की मिश्रित-परियोजनाओं की अवधारणा, डिजाइन और कार्यान्वयन के लिए शहरी सरकारों द्वारा प्रबंधकीय संवर्ग के लिए क्या विशिष्ट उपाय होने चाहिए?

शहरी स्थानीय निकायों के स्तर पर क्षमता निर्माण कार्यक्रम के उचित कार्यान्वयन को सुनिश्चित करने में केन्द्र सरकार और राज्य सरकार की क्या भूमिका होनी चाहिए?

पी.पी.पी. प्रणाली के अंतर्गत मिश्रित संविदागत परियोजनाओं को समझने के लिए शहरी स्थानीय निकायों की क्षमता निर्माण हेतु क्या किया जा सकता है?

## प्रशिक्षण अनुभव और प्रशिक्षण के बारे में विचार

नव निर्वाचित पार्षद को किन मुद्दों के विषय में प्रशिक्षण दिया जाना चाहिए?

1. \_\_\_\_\_  
\_\_\_\_\_
2. \_\_\_\_\_  
\_\_\_\_\_
3. \_\_\_\_\_  
\_\_\_\_\_

आप किस प्रकार का प्रशिक्षण प्राप्त कर रहे हैं? आप उनको किस श्रेणी में रखेंगे? आपको कौन प्रशिक्षण दे रहा है? क्या आप कोई परिवर्तन चाहते हैं?

नाम (यदि आप बताना चाहते हैं)

पदनाम (यदि आप बताना चाहते हैं)

कार्य/वार्ड का क्षेत्र (यदि आप बताना चाहते हैं)

## APPENDIX V: Interview Text

### Chandigarh

#### *Commissioner*

He is a bureaucrat and Chief City Manager called Commissioner and is an executive authority parallel to Mayor of Chandigarh City who is indirectly elected head of the policy making body.

QUESTION. Even after 74<sup>th</sup> amendment of Constitution, why UT administration is not transferring all the functions and powers to City Corporation of Chandigarh.

ANSWER. Leadership at the higher level doesn't want to share power with local politicians. If all the powers are delegated to city, then who will look towards the Administrator/Governor or Member of Parliament? For example, if all the powers are given to Mayor of Bombay, then it will be better to become Mayor Bombay than Chief Minister of Maharashtra State. It is not a conflict of interests between bureaucrats but it is a conflict to share political power between state level and city level politic answer.

QUESTION. Do you mean that the federal government had also not thought about implications of 74<sup>th</sup> amendment.

ANSWER. They had done in a well thought out manner. The amendment was done because Congress Party was getting very weak at federal level (in Parliament). Federal government went beyond their powers as per the federal structure. They are not entitled to legislate on state subject. They did it because they wanted total say in all the states in these matters. They suggested that the Prime Minister will hold a direct talk with all the collectors in the districts. This is state domain. Where is the PM involved in this matter? Centre is only supposed to legislate on union list subjects.

QUESTION. Let us suppose that 74<sup>th</sup> amendment has come to stay. Then why it is not being implemented whole-heartedly. There are many other agencies like housing boards, development authorities that are running parallel to the MC in the same city.

ANSWER. These agencies are not in conflict with the corporation. Actually MC is there to provide civic amenities to all the areas under the jurisdiction of the city. That area may be developed by parastatal (Development Authority or Housing Board) authority or by a private developer.

QUESTION. But this directly means that the planning function is not being transferred to MCs (one of the main requirement of 74<sup>th</sup> amendment)

ANSWER. Yes, planning should go to City Government and any Development Authority should be like any other private developer and the area should be planned by municipal authorities.

QUESTION. You know in this whole mess..Citizens are at a loss..they have to go to multiple authorities for their work.

ANSWER. Actually as per rule...the area once developed by Development Authority should be transferred to City Government for routine maintenance and other civic amenities.

QUESTION. But still these areas are not being transferred to MC...for example...this is happening in Chandigarh

ANSWER. There are vested interests of officers. The Chief Engineer and other officers of the Development Authority will be losing his share of corruption money.

QUESTION. There is news in the press that with the incoming of new Governor (incidentally he was one of the main architects of 74<sup>th</sup> amendment) in Chandigarh; there is a move to transfer more subjects to MC.

ANSWER. Yes....they are probably transferring health and education to City Government. But officers in Chandigarh don't want that all the powers be transferred to MC. They took back major roads from MC by misinterpreting the clauses of MC act by saying that interstate roads will not be given to MC. Actually don't want to shed their powers...

QUESTION. Ok..Let us talk about problem in relations between Commissioner and Mayor. Officers are feeling that they are being allowed to work and are being unnecessarily harassed by councilors.

ANSWER. In the provisions of present act, politicians can't do anything. It is only officer's weakness.[My comments...He himself is considered a powerful bureaucrat and he is proud be so]

QUESTION. What is your opinion about the role of the monthly general house of the Municipal Corporation ...is it good or bad...I feel they are not doing anything....

ANSWER. This is good system ... for at least checks and balances and also they have the real knowledge of aspirations of people which officers normally don't have. Otherwise overall contribution is poor. This does not mean that they don't to contribute..actually they are not well equipped.

QUESTION. How can they be trained.

ANSWER. You know if there powers will get increased, automatically good lot will come...like if Mayor in Council system comes...good people will aspire to become councilors...

QUESTION. What about the amendment in the act regarding that.

ANSWER. For Chandigarh, it is very difficult as the amendment needs to be done by the Parliament of India though the proposal had already gone.

QUESTION. Since the amendment is difficult particularly in case of Chandigarh (being a federally administered territory), what can be done to train the councilors so that they can run the house in a better manner and do not waste time in unnecessary friction with officers.

ANSWER. You know the problem of friction is only because of lack of power.They harass officers as they want them to come for a compromise(which means that they will be given a share in corruption).If Mayor in council system comes, then Mayor in council will have the executive powers and they will be answerable to the monthly general house

and there will be no harassment of officers. Then politicians will be answerable to politicians.

QUESTION. What about our dream of grass root level democracy. Has 73<sup>rd</sup> or 74<sup>th</sup> amendment has achieved something in that direction.

ANSWER. No..it has spoiled the system ,particularly in villages. The village governments (Panchayats) have become to the extreme levels. There is huge polarization in the villages. Earlier it used to be a family type culture. You just consider..a village headman..does not have the knowledge or the guts to spend 40 million Indian rupees. There will automatically be greed.

#### *Mayor Chandigarh City*

My questions will be general and will not be specifically targeted to you as a Mayor or a councilor's will expect general answers as a representative of the councilors.

QUESTION. Why Bureaucracy and Legislative wing are not doing their work in sync..Not in our city corporation..it is a general phenomena...Why there are frictions..What are problems in the way bureaucrat work. What they should improve.

ANSWER. Elected body decision vs. one way decision of bureaucrat taking his prerogative, without even consultation...IAS lobby has its unity...Secondly the problems is more severe because Chandigarh is a federally administered territory(mainly through bureaucrats).so there is poor coordination between urban local body and the Chandigarh Government as compared to any other local body and the corresponding state...We get direction only, they don't even consult.

QUESTION. Why Chandigarh Government is not transferring the subject as enshrined in the 74<sup>th</sup> amendment.

ANSWER. Nobody wants to reduce his powers...for example V3 roads in Chandigarh are not interstate roads but they have taken those; dual control is not good...in the same sector ..Municipal corporation has the power for some of the roads as well as Chandigarh government has the power other roads...Also take example of unauthorized

colonies..they themselves are not providing civic amenities and are not allowing us to provide..you see if there is any endemic in those colonies ..it will ultimately affect the whole city as those poor people are working as servant in our homes...when the disease will spread ..then they will spend millions of rupees on that....at least water, sanitation and paving of the roads should be done...I discussed with Secretary Local Government but he refused .Ultimately I got it through the pressure from Governor..Even the constitution of empowered coordination committee; there is only one elected representative and all others are officers...why direction for each and everything..make that road..we are in the process of transferring it to you..do advertisement control..though it is not in our jurisdiction ..do mid day meal scheme..similarly not in our mandate..why they are unilaterally giving directions.

QUESTION. What are your comments on role of money in all this.

ANSWER. Neither 100 % officers are honest nor councilors...particularly who have come from poor background. [ I personally know that even with rich backgrounds are also taking their share]

QUESTION. I feel that elected representatives should be given all the powers. They will automatically become accountable as they are the local residents and will have to face people on daily basis.

ANSWER. I am against the deputation. People come for 3 years, they are not local, they bring their contractors along ,loot money and leave[This is true to an extent which she substantiated by mentioning the instance of an engineer who was sent back to his parent cadre in one day after his involvement in corruption..and nobody will be able to catch him now..].An engineer or staff member who is local will have to face the music if he is on local appointment...and he will be serving the corporation for a long time and will be knowing the planning details of the city...he know about the importance of local elected representative and keeps them in confidence before doing any work. [the negative of this can be that he will collude with local politicians and will share money..and this is happening also..]...Similarly see the Senior officers who come to



Chandigarh for three years deputation. They will make so many decision without knowing the historic evolution of City and will spoil the city and leave.

QUESTION. What is your opinion on Mayor-Commissioner relations and the tenure of mayor and its impacts.

ANSWER. Mayor's tenure is only one year..The ACR of all the officers is to be written by Commissioner...then why will they bother about Mayor..and that too when the latter is only for one year..now proposal is there for amendment in the act for the period of mayor to be 2.5 years...second proposal is Mayor in Council..but she admitted that our Member of Parliament[now a powerful minister in government of India and incharge for parliamentary affairs ministry who looks after the introduction and passage of bills] may not be interested in Mayor in council as the constituency for mayor and him will become same and mayor can vie for his post ultimately...also commissioner should be answerable to mayor as mayor or elected representative is the person who has to come in contact with citizens and not the officer.

QUESTION. What about training to elected representatives.

ANSWER. Yes they need it. They sometime do not know which officer to be called in case of a problem. They will call a road wing officer even if the problem belongs to public health division or vice versa.

QUESTION. Why we are not successful in training them..are they not interested or is Government of Corporation is not able to train them..the level of deliberations in our elected bodies is very poor.

ANSWER. They need to be given the training about the basic things related to their work. That is a small job but never done. Government normally focuses on other trainings [like accounting, national urban mission, etcetera] about which they are least interested. Training about JNNURM are normally in English which also is a problem for illiterate elected representatives...we will have to reach to their level.

QUESTION. Transfer of subjects...what is your reaction on the existence of Chandigarh Housing board as it is against the spirit of 74<sup>th</sup> amendment.

ANSWER. I am member of advisory council which is headed by Governor and all the senior functionary of Chandigarh city are members of that...In the recent meeting, the new governor [Shivraj Patil, ex Home Minister of India, one of the few brains behind 74<sup>th</sup> amendment] ordered the officers to implement all the provisions of 74<sup>th</sup> amendment...but officers are not interested as they will be losing their power with the implementation...they don't understand that they are appointed to assist the elected body.

*Secretary Local Government*

QUESTION. 74<sup>th</sup> amendment..why States/UTs not transferring powers to the cities.

ANSWER. City Members of State Legislative Assembly(MLA) feel that if councilors become powerful and he became decisive in use of Municipal Corporation funds... then where will the city MLA go...along with that ministers and MLAs don't want to make local politicians strong..for example..the Municipal commissioner is competent under the act to pass all the housing plans but still minister has kept this power with him for any site more than 500 sq yards which is illegal....and aim is to make money or do something by influence which ultimately will be gain in power and common citizen will be harassed for 6 months in this process.

QUESTION. Planning function is to be with MC but why multiple bodies over there...

ANSWER. The elected bodies don't do their work because of internal frictions. They don't convene regular meeting. I have example of Amritsar Corporation ... and ..because of that ...money starts getting lapsed...also level of integrity is very poor and they will vie for the contracts to be given to their own relatives or contractors from whom they can get money...and for them politics is more important than development..So when city suffers, the state government which is ultimately responsible for the development asks other agencies to do the work[state is responsible under the constitution]..and in this kind of solution ,even the well performing corporations suffer when a general direction

is given...So there capacity is not built. Unless we transfer something to a body ,how can its capacity will get built.

QUESTION. How much will approximately be the percentage of elected representatives who have one or another vested interest in contract?

ANSWER. 70-80 percent.

QUESTION. What about the semi urban or potentially urban areas. Are the District Planning Committees being formed.

ANSWER. Punjab has just constituted few months back..but they are loaded with politicians and no specialists or visionaries...

QUESTION. That means you still feel that we are not mature as a democracy and we need bureaucrats to run the show..just think of Western democracies ..Mayor Boston is super powerful..

ANSWER. They are mature democracies and systems are in place..and we will be able to train our politicians as we will give them power..most of the stuff is on the job and it is not technical stuff they need to learn.

QUESTION. Commissioner Mayor Tussle..is the act faulty and all the powers be with Mayor.

ANSWER. It is a transition phase and the tussle will be there. Bureaucracy has been all powerful and it takes time. When a good politician comes...bureaucrat will not be able to cheat the politician answer..Bureaucracy is losing power and they are frightened..and reacting...Slowly we are getting good politicians...Also systems are not in place and lot of discretion..when system will be in place..then politicians will have less pressure from constituents and they will focus more on policy.

## **Patna**

### Sample interview questionnaire (1)

#### 1. Citizen interaction with councilors/bureaucrats, etcetera.

What kind of problems/issues do people normally bring to you?

- Sanitation, proper drainage/sewerage
- Encroachment
- Illegal construction
- Tax issues

How do you solve these problems?

1. Depends on the nature of problem, matter referred to concerned official for prompt action
2. There is a control room
3. Daily review meeting under the chairmanship of Commissioner to monitor the situation.

Deliberative and policy making role

#### 1. Perception of role -

What are the main needs/problems of your city?

Need

1. Sanitation, proper drainage/sewerage
2. Planned development of city
3. Proper communication

Problem

1. Haphazard growth of the city
2. Lack of cooperation from the people at large
3. Lack of proper training and civic sense

What kind of strategy (local development strategy) and financial planning has been made by the City Corporation to cope with these problems?

#### Sanitation

1. Specific role given to all sanitation workers and officers
2. Specific area targeted –Flyover, prone water logging area etera.

#### Financial planning

1. Annual budget
2. Measures to increase the revenue
3. New areas explored for revenue generation-hoardings, sanitation (fines),etcetera.
4. Funds utilization as and when given by the external agencies

#### 2. Access to information and policy analysis

What kind of policy related information is accessible to you, upon which you can base your policy decisions? What are other sources of information for policy making?

- In the interest of public proposals prepared by executive body are placed before elected body for approval, which is finally sent to the government.

#### 3. In House/Institutional vision

How do elected representatives bring urgent issues of public need on agendas for the house-meetings?

- There is an established custom and procedure to bring the issues of public need in board meetings

How productive and fruitful are the discussions held in general house?

- Yes, fruitful and productive

On colleagues (councillors, bureaucrats, other staff)

What is your impression of your Colleagues in your Municipal Corporation?

- Good

Are they efficient, honest?

- Yes, they are efficient and honest.

Do they have the knowledge of the ground level reality?

- Yes they do have

Are they accessible to public?

- Yes

How are the relations of elected representatives with Civil Servants?

- Cordial

-

What kind of problems do elected representatives face while dealing with civil servants?

- None

Does the elected body have enough powers in policy making and getting it implemented?

- Yes

What has prevented the ULBs to utilize the fund meant for the capacity building or seek more funds proactively?

- Resource crunch including manpower

What are the areas in which capacity building are needed? What should be specific deliverables for each of these capacity building?

- HR, Finance, Development and Institutional growth

### General Questions

- Do you think that the 74<sup>th</sup> CA Act has seen successful implementation in the Corporation?
  - Not in the state of Bihar
- How far has the implementation led to successful transfer of the 12<sup>th</sup> schedule?
  - Not much in ULBs of Bihar

- Do you think the devolution of 3 Fs (funds, functions and functionaries) has been possible within the institutional setup?
  - No, it has not been done in Bihar's ULBs
- To what extent do relations and linkages affect the implementation of Missions like JNNURM?
- To what extent has the existing allocation of responsibilities affected the implementation of capacity building initiatives in the ULB?
- What have been the key capacity building initiatives at state government and ULB level?
- Is there a gap between the on-going efforts and what areas where capacity building is urgently required? What should be the specific deliverables at each stage/level or the desirable approach with each effort?
- What should be the role of Central Government and State Government to ensure that capacity building programs at ULB level are implemented properly?
  - Central and State govt. should curtail their interference in ULBs and ULBs should be vested with full autonomy in its fund generation and decision making for ensuring capacity building program at ULB level for its proper implementation.

## Sample interview questionnaire (2)

### 1. Citizen interaction with councilors/bureaucrats,etcetera.

What kind of problems/issues do people normally bring to you?

1. Sanitation, proper drainage/sewerage
2. Holding Tax
3. Water Supply
4. Employment

How do you solve these problems?

Deliberative and policy making role

### 1. Perception of role -

What are the main needs/problems of your city?

Need

1. Sanitation, proper drainage/sewerage
2. Collection of Revenue
3. Digitization of holding
4. Construction of roads

What kind of strategy (local development strategy) and financial planning has been made by the City Corporation to cope with these problems?

### 2. Access to information and policy analysis

What kind of policy related information is accessible to you, upon which you can base your policy decisions? What are other sources of information for policy making?

- Internet and newspaper

### 3. In House/Institutional vision

How do elected representatives bring urgent issues of public need on agendas for the house-meetings?

- Beneficial

How productive and fruitful are the discussions held in general house?

- Yes, fruitful and productive

On colleagues (councilors, bureaucrats, other staff)



- What is your impression of your Colleagues in your Municipal Corporation? Are they efficient, honest? Do they have the knowledge of the ground level reality? Are they accessible to public? How are the relations of elected representatives with Civil Servants?

What kind of problems do elected representatives face while dealing with civil servants? Does the elected body have enough powers in policy making and getting it implemented?

- Impression is Good and they are efficient and honest. They know the ground reality and accessible to public. People have very high expectation from them but due to paucity of fund, difficult to fulfill their requirements. Rights should be given to councilors in decision making.

On municipal corporation as an institution

How is Municipal Corporation as an Institution regarded among the citizens? Do you feel that there is a need in the change in the provision of Act? If yes, what clause you would like to get amended. What about the term of the mayor and Mayor-commissioner relations

- Bihar Municipal Act 2007 is not framed by the Corporation. Hence difficult to implement the functions as per the provisions made therein. Mayor and Commissioner role is satisfactory.

On state government

Is the role of State government in promotion of grass root level democracy positive with regard to affairs of Corporation? Why is the state government not transferring all the departments to MC as mentioned in 74<sup>th</sup> amendment as they want to positively guide the Corporations in the overall development of the city? Is it not transferring powers to Municipal Corporation as it is felt that the latter is not very competent as an organization and its functioning is spoiled by petty political matters?

- As per the provisions of the 74<sup>th</sup> Constitutional Amendment Act, all the functions should be transfer to the Corporation.

General questions

What has prevented the ULBs to utilize the fund meant for the capacity building or seek more funds proactively?

What are the areas in which capacity building are needed? What should be specific deliverables for each of these capacity building?

- Appointment of the employees, training and PPP mode.

What should be the desirable approach to ensure capacity building of elected representatives in ULBs for ensuring a larger political ownership of Urbanization agenda?

What prevents the office of elected representative (Mayor) in the ULB to function as an overarching authority for the governance of the city?

What should be the specific measures to ensure that city governments get managerial cadre for conceiving, designing and executing complex infrastructure projects?

What should be the role of Central Government and State Government to ensure that capacity building programs at ULB level are implemented properly?

What can be done to build capacities of ULBs for understanding complex contractual projects under PPP mode?

- Training
- Provision of reserve fund so that all the functions could be discharge as per the provision of the 74<sup>th</sup> CAA.
- Capable officers
- Proper planning
- Advisory Board should be constituted to augment its own resources.

Training experience and attitude towards training

What are the issues around which a new elected councillor should be trained?

1. Regarding proceedings of the Board.
2. Right to councilors
3. Financial powers

What kind of training you are already getting? How do you rate them? Who is training you? Do you want any change?

Name (If you want to disclose) Shashank Shekhar Sinha

Designation (If you want to disclose) Executive Officer, Patna Nagar Nigam

Area of Operation/Ward (If you want to disclose)





**NITI Aayog**  
Government of India

