



Centre for Civil Society

# WARD POWER

Decentralised Urban Governance

Edited by:

Parth J shah & Makarand Bakore



*Ward Power: Decentralised Urban Governance* tackles the perpetually elusive questions: How can an ordinary citizen demand accountability from the mighty Municipality in whose hands are vital services like water, electricity supply, garbage removal, roads and primary education? Where does the person go to have a say in the decisions that affect the neighbourhood?

Municipalities in many parts of India have failed to keep up with the demands of the increasing populations. Urban municipalities struggle to provide basic infrastructure to millions of immigrants. They have been unsuccessful in managing disasters like torrential rains or floods. Citizens have been suffering silently for decades. But how long can this continue? Isn't it time that we take charge? Shouldn't we make our elected representatives accountable? How can we institutionalise processes that will bring transparency and participatory governance to the people?

This primer attempts to answer these questions through an innovative solution called **Decentralised Urban Management through the Ward**. By creating a local self-governance unit at a level of a Ward, we can create an equivalent of Gram Panchayat in the urban areas. Policy makers, urban planners, citizens associations and people can benefit by understanding this novel concept and help in implementing it in our country.

To this end we place the primer in your hands.

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We would like to thank Dr. Amita Singh, Associate Professor, Centre for the Study of Law and Governance, JNU, for her support and cooperation. Prof. Balveer Arora, JNU inaugurated the Workshop and set the tone for the discussions.

The panel of experts, Shri. Wajahat Habibullah (ex-Secretary, Ministry of Panchayati Raj), Shri K.C. Sivaramakrishnan (Visiting Professor, Centre for Policy Research) and Dr. G.S. Bhalla (Prof. Emeritus, Centre for the Study of Regional Development, JNU), added immense value to the session with their insights.

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Dr. I Sundar	- Annamalai University, Tamil Nadu
Mr. Kaushal Vidyarthi	- School of Planning and Architecture, New Delhi
Dr. M. P. Mathur	- NIUA, New Delhi
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Ms. Shuchi Seth	- Samarthan, Chhattisgarh
Prof. Tapan Mohanty	- National Law University, Madhya Pradesh

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## Preface

*By Parth J Shah and Makarand Bakore*

Centre for Civil Society organised a Workshop ‘Ward Power: Reforms in Urban Governance’ on 10 June, 2005, along with the host, Centre for Study of Law and Governance, Jawaharlal Nehru University, New Delhi. The seminar was co-sponsored by Janaagraha, Bangalore.

Urban governance is one of the principle areas of research at the Centre for Civil Society. With increasing urbanisation, reforms in urban governance are often being discussed and debated. The Workshop provided a forum to further this debate and promote new ideas,

Prof. Balveer Arora (Acting Vice Chancellor, JNU) inaugurated the program. The seminar saw papers and participation from institutions such as UNDP, World Bank, IGIDR, NIUA, Annamalai University, Prayas, Priya, Centre for Media Studies, NIPFP, IIPA, School of Planning and Architecture, People First, People’s Action, National Foundation for India, and several other civil society organisations and universities. Over eighty participants attended the Workshop. The day concluded with a panel discussion featuring eminent personalities like Shri. Wajahat Habibullah (ex-Secretary, Ministry of Panchayati Raj), Shri K.C. Sivaramakrishnan (Visiting Professor, Centre for Policy Research) and Dr. G.S. Bhalla (Prof. Emeritus, Centre for the Study of Regional Development, JNU).

This book is an endeavour to bring the discussions held at the Workshop to a wider audience. It is a unique compilation of the ideas and papers presented at the program. Its primary

focus is on ways of strengthening urban local bodies. Various aspects of ward-level management have been examined in detail. Case studies of actual municipalities have been included to provide practical insights.

The first five papers describe the current ward management in India. Mr. K C Sivaramakrishnan provides an excellent commentary on progress of decentralisation in the country. In the next paper, Dr. Mathur elaborates on the provisions in the seventy-fourth amendment and explains the workings of the Delhi Municipal Corporation. Dr. Sundar explores ways of ward development through micro-level planning at ward level. Ideal ward management is articulated in the paper by Mr. Vidyarthee.

Mr. Ramesh Ramanathan's paper reveals the lack of participatory structure in the urban areas and put forths solutions to address the issue.

Service delivery through ward management is dealt with in the next two papers. Prof. Mohanty paper delves into solid waste management and decentralised governance. Dr. Chandrasekar suggests ways of slum development through ward management.

The last six papers discuss case studies of municipalities in various cities. These include Quepem and Margao (Goa), Khozhikode (Kerala), Ambikapur (Chhattisgarh), Salt Lake City (Kolkata), Jaipur (Rajasthan), and Jabalpur (Madhya Pradesh).

The book can be read in the order presented or specific papers can be read directly. It can be used as a reference book by government officials, policy makers, researchers, professionals, and students of political science.

We hope this book throws up new directions for research and assists our government to create cities that can meet the enormous challenges of the twenty-first century.

We would like to thank the presenters, participants and panelists for making this book possible. Our special thanks Dr. Amita Singh and Ms. Shipra Bhatia from Centre for Study of Law and Governance, JNU and co-sponsors Janaagraha for their assistance.

We would also like to express my sincere gratitude to John Templeton Foundation for their continued support in this venture.

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# **Introduction**

*By Parth J Shah and Makarand Bakore*

## **Growth of Urban India**

The population of India was 683 million in 1981 and is projected to touch 1.3 billion by 2021. 53.3% of the population shall live in cities by then, a significant increase from 23.3% in 1981.

Thus we can expect tremendous urban growth in the coming decade and the cities will have to rise to the challenge of meeting the expanding demands for infrastructure and services.

## **History of Urban Governance**

Before independence, all local functions like roads, water supply, drainage, sanitation and street lighting were under the Municipality. Post-independence, there has been a diversion of Municipal functions to other bodies, like the Delhi Development Authority, Delhi Jal Board, State Electricity Board and the Housing Development Board.

This has led to centralized planning and administration of public services. Many decisions made by such bodies are inconsistent with the demands of the people. The citizens find it extremely hard to have their grievances heard and suggestions accepted. The boards lack transparency and accountability. This is one reason why the services in Delhi do not meet the citizen's expectations.

Three-tier federal system is prevalent in democracies across the world. India does not have any history of multi-tiered

government system. The Constitution (Seventy-Fourth Amendment) Act, 1992 brought significant changes to the urban governance structure in India. Although it applies to both rural and urban governance, its provisions are far stronger for rural areas than urban. The three-tier government for rural areas viz. Zilla Panchayat, Taluk Panchayat and Gram Panchayat empowers every citizen. But the same is not true for urban areas, the provisions for which were more of an after-thought. The Amendment recommended the reforms but delegated crucial legislation to the states. Most states have implemented it poorly due to which, the Municipal Corporation and the Ward Committees are feebly successful, if at all, in granting any power to the ordinary urban citizen. The Ward Committees are inadequate in being able to be representative of all the citizens. As suggested by Mr. Ramanathan in his paper, there is a need to go one level below the Ward Committee, to that of an Area Sabha, that will be able to involve more citizens in decision-making.

### **Why Ward-level Management**

Managing public services at Ward level (vis-à-vis at State or Municipal level) helps reflect the aspirations of the local people, who are direct stakeholders in those projects. If citizens are involved in the decision-making through Wards Committees, then we can achieve participatory democracy at the lowest level of governance.

The government provides subsidies to the poor through various schemes. But it is common knowledge that many times the money is siphoned away by the intermediaries. Providing subsidies at the ward level can help in better targeting of subsidies as the councillors know their wards intimately. They are also easily accessible for grievance redressal.

If people are dissatisfied by the services offered in their ward, they have a choice to vote by their feet i.e. live in another ward. This would create competition among wards to attract the best people. The wards that are able to draw and retain people can generate more taxes and in turn provide better services. Thus, introducing competition between wards shall improve service delivery.

## **Ward Functions**

Various critical functions can be carried out at ward level:

### **1. Management of Public Spaces**

This includes the creation of Municipal markets and providing space to hawkers. Spaces can be created to celebrate community functions and festivals. Local parks and vehicle parking space can be managed at ward level too. Slum areas can be effectively managed if local people are involved in the decision-making.

### **2. Public Utility Services**

Various services can be delivered more effectively, if contracted out at ward level such as:

#### **a. Water Supply**

#### **b. Electricity Supply**

The current privatisation efforts have converted government monopolies into private monopolies. The consumer has no choice since the service provider has no competition. There is no incentive to the service provider to improve the services. Contracting out the services to three or four companies introduces competition into the system. If the consumer is unhappy with the supply of electricity from company A, he or

she can switch to company B. This improves services and drives prices down.

If services are contracted out centrally at the Municipal level, people's choices get limited to those companies that the Municipality awards the contracts to. Smaller companies are unable to bid due to the large scale of the projects. This reduces choice for the consumers. Contracting at the ward level shall attract more companies. It would also provide greater flexibility in awarding and terminating contracts.

A system of subsidizing can easily be set-up with the private service provider at the ward level. The government can pay a percentage of the billings to the service provider as subsidy for the poor.

c. Garbage and Drainage

d. Street lights

Some services like garbage collection and streetlights can be contracted out to private parties and monitored by the residents and the Municipality.

e. Supervision of public physical infrastructure

- i. Roads
- ii. Schools
- iii. Dispensaries and hospitals

f. Complaint Management System

If a service provider defaults on its duties, a complaint management system should be set-up at the ward level. This will ensure accountability and faster response time. Currently, complaints are handled centrally by the Municipality.

### **3. Community Policing**

At present, residents of an area have no power to decide the effective use of the police force allocated to their area. Bringing the police under the control of Ward Committees can decentralize powers so that decision related to policing can be done by the local residents, rather than a central authority. This will also bring the police closer to the citizens and increase cooperation between the two.

#### **Ward Committee: Structure**

The Ward Committee is a committee comprising of the councillor and the a few residents of that ward. It is designed so to be representative of the people residing in that ward.

Under the current system, Wards Committees are constituted for multiple wards. Since the few members of the Wards Committee represent lakhs of people, the purpose is defeated. Instead, there should be one ward per Ward Committee. This will ensure that there is greater proximity between the citizens and their elected representatives. The councillor can be the Chairman of the Ward Committee and committee members can be elected by the residents of the ward.

#### **Current Ward Finances**

The State Finance Commission recommends the distribution of taxes between Delhi state and the Municipality. Wards have the authority to sanction estimates and plans for Municipal works within a Zone costing upto rupees one crore subject to the corporation sanctioning it in the budget. But there is no obligation on the Corporation to allocate funds to the Ward Committee. In practice, funds have not been allocated.

The Municipal Corporation does not have adequate financial resources due the abolition of Octroi and outdated procedures of assessment of property tax. This has led to a shortage of

funds and the Corporation is unable to pay its contractors. Public services have deteriorated.

### **Ideal Ward Finances**

Wards should be empowered to raise their own finances through fees and taxes:

- o Fees for use of open public spaces as markets
- o Fees for parking vehicles in public spaces
- o Charges to access parks and other common areas
- o Tax on pets
- o Tax on advertisements in public spaces

The wards can also levy a flat per-head charge on the citizen's. Private utilities providers can pay a flat fee to the ward as tax.

### **Responsibilities of the Ward**

The functioning of the wards should be fully transparent. Quarterly financial reports should be displayed on the board of the ward office. The Wards Committee should disclose their physical and financial targets and corresponding achievements. Other information can be access by the citizens through the Right to Information Act 2005.

### **Reforms in Urban Governance at Nation Level**

Various legal changes need to be brought about in Municipal Acts so as to decentralise powers and responsibility. These changes, as recommended by the National Committee to Review the Working of the Constitution, are as follows:

- 1) In determining the number of Municipal wards and in delineating them, there should be parity in the ratio between a seat and the population and such ratio should be uniform within a State among any category of

Municipalities such as Corporations, Municipal Councils and Nagar Panchayats.

- 2) Wards Committees should be mandatory for each of the ward in all Municipal Corporations with a population of three lakhs or more, to comprise of persons chosen by direct election from the territorial area of the Ward. The Chairman of the Committee will be the Councillor elected from the Ward.
- 3) The State laws may determine the number of persons to be so elected but there should be parity, within the city in the ratio between that number and population of a ward.
- 4) State laws may also enable Wards Committees to co-opt such residents of a ward who are knowledgeable and can assist the work of the Committee.
- 5) In all Corporations with a population of six lakhs and more, Zonal Committees at a level between the Wards Committees and the Corporation Council should be formed. State laws may determine the number and area of such Zonal Committees. The Councillors of all the Municipal wards represented in that area shall be members. In addition, one other person from each of the Wards Committees elected by and from amongst the elected members of that Committee shall be a member of the Zonal Committee.
- 6) State laws may determine the manner in which elections to the Ward and Zonal Committees are to be held, their functions and responsibilities and the allocation of funds to carry out the same.
- 7) Article 243S should be amended suitably to incorporate the proposals made in items (a) to (e) above.

# 1. Urban Ward and Halted Reforms

*By Mr. K.C. Sivaramakrishnan*

“India lives in its villages” is part of the country’s political and societal discourse of the past. That India also lives in its cities and towns has become apparent only after the 1991 Census which showed, nearly one quarter of the population live in urban areas. Today the percentage of urban population is closer to 30. In absolute numbers, this will approximate 300 million people. More than 110 million out of them live in large cities, each having a population of more than a million.

These urban centers are not merely large population settlements but important engines of India’s economy. The upkeep of urban services, available in these cities, is critical for the efficient performance of the economy and therefore of vital interest to the country.

Yet arrangements for the governance are confusing to say the least and chaotic at the worst. It is almost impossible to get a straight answer in any city of India to the question who is in-charge of it. An obvious answer would be, it is certainly not the citizens.

Decentralisation and people’s participation are very much a part of every party’s mandate. However, they cannot be dismissed as mere vocabulary because during the 1950s and 60s, serious efforts were made to develop participative structures and arrangements atleast for the rural areas. ‘Organisation of village panchayats to enable them to function as units of self-government’ was already included as a Directive

Principle in Article 40 of the Constitution. Dr Ambedkar himself was scathing in his criticism of village panchayat as dens of inequity. There was much truth in what he said. But nevertheless the makers of the Constitution believed that Panchayats still had a future.

States like Tamil Nadu, Karnataka and Maharashtra, among some others, made serious efforts in the 1960s to reorganize rural governance. In fact Karnataka pursued these efforts in the 70s and 80s as well. The Karnataka model of zilla parishads and panchayats at other levels, thanks to Abdul Nazirsab, the then Karnataka's dedicated Panchayat Minister, provided some inspiration to the initiatives which later Shri Rajiv Gandhi took for securing a constitutional mandate for Panchayati Raj.

In contrast, the arrangements for urban governance especially in the post independence era revealed a distinct non-application of mind. Municipal laws in India have by and large remained as the vintage from British India. Large cities like Mumbai and Chennai did perform reasonably well while others like Kolkata were much more preoccupied with the national struggle for independence. Nevertheless before independence, the municipalities functioned as important platforms for political participation and a whole generation of leaders like Jawaharlal Nehru, Vallabhbhai Patel or Rajaji were nurtured in the municipal cradle of democracy. But after independence the cradle itself was discarded and the Calcutta Corporation became the first city government to be superseded. During the 50s and 60s, at any given time, irrespective of the political party in power in the different states, nearly half the city governments in the country were under supercession. The supercession of the Madras Corporation lasted for 24 years: one more year and a silver jubilee of sorts would have become due.

The Constitutional Amendment for the Nagarpalikas which Rajiv Gandhi's government introduced was really an after thought. The

focus of the initial effort was on Panchayati Raj but soon came the realization that the need for decentralisation and people's participation were equally critical for urban areas. What eventually emerged as the 74<sup>th</sup> Amendment to the Constitution confers on the municipalities 'the right to live'. All municipalities and corporations have to have elected councils, for a duration of 5 years. Dissolution cannot last more than six months. Additionally there are features like reservations, functional domain, composition through elections organised by a separate State Election Commission etc. In an effort to enlarge public participation and increase proximity to the citizen, the Joint Parliament Committee while considering the Bill for amendment also introduced the provision for ward committees.

It is more than 10 years since the Amendment came into force. Yet, except in a few states, ward committees have not been set up. More importantly where they have been set up, the elective principle is not recognized. Kerala is the only state where the principle of one committee per ward has been recognized and a large representative base comprising Resident Welfare Associations, NGOs, professionals and others have been identified from which the members of the ward committee are drawn. In West Bengal, membership of the ward committee is determined by the Ward Councillor and the City Corporation. In Bangalore, the ward committee members are nominated; in Mumbai they are no more than a sprinkling and the ward committees function for groups of wards numbering more than a dozen. In Hyderabad or Delhi, the ward committees do not have public representatives at all but are only a group of ward councillors for a group of wards.

In contrast, a rural voter is a member of the Gram Sabha and his position is recognized in the Constitution itself under Article 243(b). He also exercises his vote to elect 5 people; one as a member of the village panchayat; second as a member of the taluk panchayat and the third as a member of the zilla panchayat, in

addition to an MP and an MLA. In the case of an urban voter, all that he can do is to elect a ward councillor apart from an MP and an MLA. If the ward committee itself can be considered as a parallel to the village panchayat why should it be a nominated body? Why is it that unlike a rural voter who elects a spectrum of representatives, the urban voter cannot be trusted to elect members of a committee which will have some say in the upkeep of its own locality? Is it because an elected ward committee is considered a threat by the Municipal Councillors? Is it because the urban citizen is regarded as more articulate and can create more trouble for the establishment?

Accountability and authority have to go together. If the elected representatives seek powers, they must also be held accountable. Accountability in turn requires a platform. The ward committee can serve as a platform.

By any standards large cities need decentralisation within themselves. For an average urban dweller what happens at its doorstep is more important than a grand vision of the city; whether Mumbai matches Shanghai or Bangalore copies Singapore, for an average citizen the quality of urban life is very much dependant on the quality of his immediate living environment. Limiting his participation to a vote to be exercised once in 5 years is a cynical denial of the citizen's rights and potential.

Janaagraha of Bangalore, an active NGO of Bangalore, has proposed that like the Gram Sabha, there should be Area Sabha for each municipal ward or part of a ward depending on the population. Each Area Sabha will cover the jurisdiction of a few polling booths as necessary. All the voters registered in the electoral rolls pertaining to these booths will be members of the Area Sabha and will elect their representatives to the Ward Committee. The Ward Councillor will be accountable to the Committee as its Chairman and the committee itself like the Gram Panchayat will draw its legitimacy and be answerable to the Area Sabha.

The provision for a Ward Committee included in the Bill moved by the Rajiv Gandhi government, dropped by the Narasimha Rao government and reintroduced by the Joint Parliament Committee is a bold step to enhance proximity to the citizen and facilitate public participation. Yet in leaving its composition to the States, much mischief has been done. Perhaps the time has come for a more direct recognition of the urban citizens voice in the governance of his city.

## 2. Decentralised Urban Governance in Delhi

*By Prof. Mukesh P. Mathur, Mr. Rumi Aijaz, Mr. Satpal Singh*

### **Abstract**

The constitution and empowerment of Wards Committees (WCs) by the Municipal Corporation of Delhi is an example of a decentralised form of urban governance. Evolving a government at the ward level in several states of India has been possible due to the enactment of the Constitution (74<sup>th</sup> Amendment) Act by the Government of India during the year 1992. The main objective in this endeavour is to create a government at the lowest level so that the needs of the people are addressed in the best possible manner. In this paper an attempt has been made to describe the current nature of ward level management in the National Capital Territory of Delhi. The main aspects relating to ward level management reviewed in this paper include legislative provisions for the constitution, composition and functioning of Wards Committees, number of WCs and average population per WCs, meetings of WCs, their financial powers, and recent governance reforms initiated at the ward level. It is concluded that there exists an urgent need to investigate the issues of governance at the ward level by systematic research. For this purpose, the feedback from the councillors and the municipal officials should be collected on a regular basis regarding their experiences and the challenges that they face in the conduct of business at the ward level.

### **Introduction**

A paradigm shift is observed in the governance of urban areas. The government/public sector, which has traditionally been

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responsible, has been constantly exploring the possibility of evolving effective forms of governance. The current thrust of governments in many countries of the world is on ensuring that the ever-increasing demands of the people are provided not only in adequate quantity and quality but also within the framework of good governance norms of efficiency, equity, accountability, transparency, rule of law and policy pluralism.

A significant development observed in this respect is the acceptance of 'decentralisation' as a strategy to address the issues of local-level governance. Governments of several countries, traditionally characterised by centralised systems, have shown interest in decentralisation. According to this approach, local entities have been empowered (administratively, politically and financially) to play an active role in the governance process.

Decentralisation, as the term implies, is a process, which involves a transfer of authority from central government to local government units or special statutory bodies (United Nations *cit.* Oyugi 2000, 3). In this approach, the emphasis is on an appropriate delineation of authority/responsibility across levels of government. The most common rationale for decentralisation cited in the literature is that: the needs of citizens can best be addressed by those entities that are located closest to them; "expansive administrative responsibilities cannot be carried out by central governments alone; socio-economic progress requires people's active participation; resource mobilisation necessitates local initiatives; and devolution of power is a pre-condition for a democratic mode of governance" (Haque 1997, iii).

The decentralisation concept acquired importance during the 1980s because of the inability of many governments to deliver development programmes to the people at the local level. It

was during this period that a wide debate started in many countries on issues related to the balance of power and distribution of functions between national and local governments. A review of literature reveals that in a number of countries, national governments are implementing policies of decentralisation. In this context, Dillinger (1994, 8) notes, “of the 75 developing and transitional countries with populations greater than 5 million, all but 12 claim to be embarked on some form of transfer of political power to local units of government”. Similarly, a study conducted by Wegelin (1990) throws light on the fact that governments of several Asian countries (namely India, Indonesia, The Philippines, Sri Lanka and Thailand) are devolving responsibility and authority for planning and programming of municipal services to local government level. On-going research on the subject further indicates that decentralisation is perceived as a prerequisite for ‘good governance’, because the process helps in producing “more efficient and equitable service delivery through making better use of local knowledge, leads to greater participation and democracy, greater accountability, and more responsive and responsible government” (Oyugi 2000, 5-6; UNCHS 1996, 162; Estache, ed. 1995, 26).

### **Decentralisation Initiatives in India: Emphasis on Constitution of Wards Committees**

In India, the central government has taken significant steps to address the issues related to the governance of urban areas. Recent government policies allow for greater community participation, private sector participation and decentralisation. Institutions of local governance are being encouraged/assisted to experiment with and introduce new practices. Existing practices are being streamlined by taking into consideration the local issues.

An important initiative of the Indian Government is the enactment of the Constitution (74<sup>th</sup> Amendment) Act (CAA) during the year 1992. The provisions<sup>1</sup> outlined in the Act provide a basis for the State governments throughout the country to amend their municipal laws and to take suitable measures to strengthen urban governance.

An important provision of the Act is to evolve an institutional framework at the ward level. The policy of devolving power and functions at the ward level is a landmark initiative in the Indian context. According to Article 243 – S of the 74<sup>th</sup> CAA, “there shall be constituted Wards Committees (WCs), consisting of one or more wards, within the territorial area of a municipality having a population of three lakhs or more” (Constitutional Provisions 1999). Furthermore, the Act allows state governments to make necessary provisions in the State Municipal Acts regarding the composition and territorial area of Wards Committees and the manner in which the seats shall be filled in such committees. It is understood that this initiative has been taken by the central government to ensure people’s participation in civic affairs at the grass-roots level.

As a follow-up, several State governments (namely Andhra Pradesh, Chhatisgarh, Delhi, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh, West Bengal) have provided for the constitution of Wards Committees in the municipal laws and constituted such Committees (Table 1).

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<sup>1</sup> Broadly, the 74<sup>th</sup> CAA provisions relate to the following: constitution of three types of municipalities, regular and fair conduct of municipal elections, reservation of seats for SC/ST/BC and women in municipalities, devolution of functional responsibilities and financial powers to municipalities, constitution of state finance commissions, wards committees, district planning committees and metropolitan planning committees.

**Table 1: Number of Wards Committees in Selected States of India, 2004**

<i>S. No.</i>	<i>State</i>	<i>Number of Wards Committees</i>	<i>Names of Some Urban Centres/Municipalities With Wards Committees</i>
1.	Andhra Pradesh	15	Hyderabad, etc.
2.	Chhatisgarh	N.A.	Raipur
3.	Madhya Pradesh	41	Indore, Bhopal, Jabalpur, Gwalior, Ujjain
4.	Maharashtra	51	Mumbai, Pune, Thane, Mira-Bhayandar, Navi Mumbai, Nashik
5.	Karnataka	35	Bangalore, etc.
6.	Kerala	One for each ward	N.A.
7.	Tamil Nadu	14	Chennai, etc.
8.	West Bengal	One for each ward	N.A.
9.	NCT of Delhi	12	Municipal Corporation of Delhi

*Source: NIUA database*

Information on the constitution, composition and functioning of WCs in different states of India is documented by various scholars, including Balachandhran (2001), Mathur (1999), Singh and Maitra (2001), Singh (2001), and Wit (2005).

The analysis attempted by Singh and Maitra (2001, 89) and Singh (2001, 41) with respect to the status of WCs in India reveals that a highly varied arrangement exists among the different states of India. It is mentioned that in Karnataka, Maharashtra and Tamil Nadu, the Municipal Acts provide for WCs only in corporation areas for a group of wards. On the other hand, in Kerala and West Bengal, WCs are provided for every ward. This implies that in some states, the level of decentralisation has been higher, where an attempt has been made to “ensure closer proximity of citizens with the elected

representatives and thereby widen the process of participatory governance”.

Singh and Maitra (2001, 93) have also discussed some important advantages of decentralised governance, such as: (i) closer interaction between the citizens and their representatives; (ii) greater accountability to the people; (iii) greater transparency in work practices; (iv) high level of participation by all sections of society; and (v) scope for extended partnership.

A review of available literature, however, reveals that adequate attempts have not been made to assess the impact of such initiatives on urban governance. An initial assessment of Wards Committees attempted by Wit (2005, 12-14) leads to the conclusion that “barring WCs in Kerala and West Bengal, urban decentralisation has not actually meant devolution – the transfer of responsibilities as well as power and finance – but mostly it has been deconcentration: the half-hearted creation of new bodies which are more like field offices controlled by the central city. They have very limited tasks, powers and funds, hence little autonomy, and are dependent on and accountable to central city corporations”. Wit further points out that the “implicit objective of increased proximity between citizens and local governments does not appear to be achieved, barring a few states”.

### **Purpose and Scope of this Paper**

The main purpose of this paper is to examine the form of governance prevailing at the lowest level of the urban hierarchy, i.e., at the ward level. The form of governance is examined by a review of the functioning of wards committees in the National Capital Territory of Delhi. This review is significant in the context of the current emphasis of the central government on devolving power at the grass-roots level. It is

envisaged that such initiatives will bring about significant changes in the quality of life of urban citizens.

A brief discussion on the concept of decentralisation and the views of scholars on the initiatives taken by governments of developing countries is presented in the introductory section. The following section provides information on the decentralisation of administration by the Municipal Corporation of Delhi (MCD). It is to be noted that MCD has constituted Wards Committees for improving the quality of local-level governance. The constitution, composition and functioning of Wards Committees (WCs) in Delhi is described in the next section. For this purpose, reference has been made to the relevant Sections (relating to WCs) of the MCD Act. Reference has also been made to some reforms adopted by MCD to strengthen ward level governance. In the final section, some preliminary conclusions relating to ward level management in Delhi have been drawn.

### **Decentralisation of Municipal Administration in Delhi**

The National Capital Territory of Delhi is governed by three local government units, namely the Municipal Corporation of Delhi (MCD), the New Delhi Municipal Committee (NDMC) and the Delhi Cantonment. As per the 2001 Census of India, the population and area figures of Delhi are 13.78 million and 1,483 sq. km. respectively. While the jurisdiction of MCD is spread over an area of 1397.29 sq. km. (94.22 per cent of the total area), NDMC and Delhi Cantonment cover an area of 42.74 sq. km. (2.88 per cent) and 42.97 sq. km. (2.90 per cent) respectively. About 96.96 per cent of Delhi's population lives in the area within the jurisdiction of MCD, whereas 2.14 per cent and 0.99 per cent of the population lives in NDMC and Cantonment areas respectively.

## **Constitution, Composition and Functioning of MCD**

MCD was constituted on April 7, 1958 under an Act of Parliament, namely the Delhi Municipal Corporation Act (LXVI of 1957), which was enacted by the Parliament on December 28, 1957. During the year 1963, a number of powers, which rested with the Municipal Corporation and the Commissioner, were delegated respectively to Zonal Committees and Zonal Officers.

MCD consists of two wings – deliberative and executive. The deliberative wing is responsible for policy making, supervision, guidance and control. The work of policy execution is entrusted to professional administrators and technical personnel, which constitute the executive wing. The Mayor is the head of the deliberative wing, and is assisted by a Deputy. The other members representing the deliberative wing include the elected councillors, nominated members, members of the house of the people and the council of states, and members of legislative assembly. The Municipal Commissioner is at the apex of the executive wing. A number of Additional/Deputy Commissioners, Additional Deputy Commissioners, Assistant Commissioners and heads of different departments assist the Commissioner.

For the efficient performance of its functions, 39 committees have been constituted. These include a Standing Committee, 12 Wards Committees, a Rural Areas Committee, an Education Committee, 13 Special Committees and 11 Ad-hoc Committees. By an amendment of the Delhi Municipal Corporation Act in 1993, fundamental changes were introduced in its composition, functions, governance and administration. Among other things, the Act provided for constitution of Wards Committees (WCs) at zonal level, along with an increase in financial powers. It necessitated administrative support to the WCs to formulate proposals for

developmental works. MCD strengthened its administration at zonal level with effect from January 1, 1997, when the first elections were held after the amendment of the Act in 1993.<sup>2</sup> To decentralise administration and settle day-to-day complaints of citizens, the area falling under the jurisdiction of MCD has been divided into 12 zones. Each zone consists of several wards. At present, there are a total of 134 wards. Information on zones and number of wards per zone is given in Table 2. The data show that the number of wards ranges between 4 and 16 in the different zones.

**Table 2: Zonal Set-up of MCD**

<i>Zone No.</i>	<i>Name of Zone</i>	<i>Number of Wards per Zone</i>
1	City	8
2	Central	12
3	South	12
4	Karol Bagh	8
5	Sadar Paharganj	6
6	West	16
7	Civil Lines	10
8	Shahdara (S)	16
9	Shahdara (N)	16
10	Rohini	12
11	Narela	4
12	Najafgarh	14
Total Number of MCD Wards		134

*Source: Civic Guide 2005 - Municipal Corporation of Delhi*

A Deputy Commissioner, who possesses all the delegated powers of the Commissioner, heads each zone and is empowered to take major decisions at the zonal level. An assistant commissioner, superintending engineer, deputy health officer, joint assessor and collector, deputy education officer and deputy chief accountant, assists the deputy commissioner.

<sup>2</sup> MCD remained superseded during the period 1993-1997.

This group is responsible for providing efficient and accountable civic administration to the citizens.

### **Constitution, Composition and Functioning of Wards Committees<sup>3</sup>**

#### *Amendments in the Municipal Act*

Some sections of the Delhi Municipal Corporation Act, 1957 relating to the constitution, composition and functioning of Wards Committees are presented in Box 1 and 2. The purpose of quoting sections from the Act is to provide the reader an in-depth understanding on the legislative provisions framed by MCD for the constitution and governance of Wards Committees in Delhi. A review of information provided in Boxes 1 and 2 reveals that necessary amendments (mentioned in the 74<sup>th</sup> Amendment Act, 1992) were made in MCD Act, 1957, during the year 1993. The Wards Committees were, however, formed in 1997, when the first elections to the MCD were held since the enactment of the 74<sup>th</sup> Amendment Act. It may be noted that MCD remained superseded during the period 1993-97. In normal circumstances, municipal elections are held once in five years. The last election to the MCD was held in 2002.

#### ***Box 1: Sections Relating to the Constitution, Composition and Functioning of Wards Committees in Delhi***

Section 50 of the Act provides for the following:

- (1) For each zone there shall be a Wards Committee which shall consist of
  - (a) All the councillors elected from the wards comprised in that zone; and

<sup>3</sup> Sections 50 to 52 substituted for Sections 50 to 53 by Act No. 67 of 1993 (w.e.f. 1.10.1993).

## Box 1 (contd)

(b) The person, if any, nominated by the Administrator under sub- clause (i) of clause (b) of sub-section (3) of Section 3<sup>4</sup>, if his name is registered as an elector within the territorial limits of the zone concerned.

(2) The Wards Committee shall be deemed to have been constituted from the date on which the Corporation is constituted after each general election.

Section 51 of the Act provides that the ‘provisions of Section 47 and 48 shall apply in relation to a Wards Committee as they apply in relation to the Standing Committee’.

Section 47 pertains to the ‘*Chairman and Deputy Chairman of the Standing Committee*’ and provides for the following:

(1) The Standing Committee shall at its first meeting in each year elect one of its members [who is a Councillor]<sup>5</sup> to be the Chairman and another member to be the Deputy Chairman.

(2) The Chairman or the Deputy Chairman of the Standing Committee shall hold office from the date of his election until the election of his successor in office unless in the meantime he resigns his office as Chairman or Deputy Chairman or his term of office as member of the Standing Committee is in any manner determined or unless in the case of the Deputy Chairman he is elected as Chairman.

(3) On the occurrence of any casual vacancy in the office of the Chairman or the Deputy Chairman, the Standing Committee shall within one month of the occurrence of such vacancy elect one of its members [who is a Councillor]<sup>6</sup> as Chairman

<sup>4</sup> Section 3 pertains to - Establishment of the Corporation; Sub-section (3), Clause (b) specifies that – The following persons shall be represented in the Corporation, namely:- (i) ten persons, who are not less than 25 years of age and who have special knowledge or experience in municipal administration, to be nominated by the Administration; Provided that the persons nominated under this sub-clause shall not have the right to vote in the meetings of the Corporation.

<sup>5</sup> Inserted by Act No. 67 of 1993 (w.e.f. 1.10.1993).

<sup>6</sup> Inserted by Act No. 67 of 1993 (w.e.f. 1.10.1993)

*Box 1 (contd)*

or Deputy Chairman, as the case may be, and the Chairman or the Deputy Chairman so elected shall hold office for the remainder of his predecessor's term.

Section 48 pertains to the '*Resignation of Chairman and Members of the Standing Committee*' and provides for the following:

- (1) Any member of the Standing Committee may resign his office by writing under his hand addressed to the Chairman; and the Chairman may resign his office by writing under his hand addressed to the Mayor.
- (2) A resignation under sub-section (1) shall take effect from the date specified for the purpose in the writing referred to in that sub-section, or if no such date is specified, from the date of its receipt by the Chairman or the Mayor, as the case may be.

Section 52 pertains to the '*Powers and Functions of the Wards Committee*' and provides for the following:

- (1) Subject to the provisions of this Act, every Wards Committee shall exercise the powers and perform the functions as specified in the Fifteenth Schedule on behalf of the Corporation in relation to that Zone.
- (2) The Central Government may, after consultation with the Government, by notification in the Official Gazette, amend the Fifteenth Schedule.
- (3) When any question arises as to whether any matter falls within the purview of a Wards Committee or the Corporation, it shall be referred to the Government and the decision of that Government thereon shall be final.

The Fifteenth Schedule – Powers and Functions of the Wards Committee:

- (1) Sanction estimates and plans for municipal works to be carried out within the Zone costing up to rupees one crore, other than works taken up and executed for Delhi as a whole or

*Box 1 (contd)*

those covering more than one Zone, provided that specific provision exists thereof in the budget sanctioned by the Corporation.

- (2) Call for any report, return, plan estimate, statement account or statistics from the Commissioner connected with matter pertaining to the municipal administration in the Zone.
- (3) Scrutinize monthly statement of receipts and disbursements and of the progress reports in the collection of revenue in the Zone.
- (4) Consider and make recommendations on the proposals regarding estimates of revenue and expenditure pertaining to the Zone under different heads of account of the budget before being forwarded to the Commissioner.
- (5) Report or advice upon any matter which the Corporation may refer to it under the Act.
- (6) Deal with such matters as may be delegated by the Corporation to the Wards Committee.
- (7) In general, exercise all such municipal powers and functions of the Corporation as are to be performed exclusively in the Zone concerned other than those relating to Delhi as a whole or involving two or more Zones. other than those relating to Delhi as a whole or involving two or more Zones.

*Source: Delhi Municipal Corporation (Procedure & Conduct of Business) Regulations 1958, as amended upto 1997*

## **An Overview of Wards Committees in Delhi**

A total of 12 Wards Committees (WCs) have been constituted by MCD, i.e., one for each zone. These committees have been functioning since the year 1997. The term of a WC is five years. Each WC looks after a number of wards, which range between 4 and 16 (see Table 2). The average population per WC works out to slightly more than a million (or 11.13 lakhs).

Each WC has two wings, i.e., a deliberative or political wing and an executive wing. The deliberative wing is headed by a Chairman, who is assisted by a Deputy Chairman. The other members of this wing are the elected ward councillors. The total number of councillors in MCD is 134. Of these, 89 are males and 45 are females. Seats in WCs are reserved for councillors belonging to SC, ST, BC category and for women.

***Box 2: Sections Relating to the Procedure and Conduct of Business of (Wards) Committees***

Section 53 pertains to the ‘*Convening of Meetings of Committees*’ and provides for the following:

- (1) ... the date, time and place of the first meeting of any other committee (except an ad hoc Committee), after its constitution, shall be fixed by the Commissioner.
- (2) The date, time and place of every subsequent meetings of any such Committee shall be fixed by the Committee itself: Provided that a meeting of the Standing Committee shall be held normally once a week, ... and a meeting of any other Committee shall be held, when necessary.

If the Committee omits to fix the date, time and place of the meeting, it shall be fixed by the Chairman of the respective Committee.

Section 56 pertains to ‘*Quorum*’ required for holding meetings and provides for the following:

- (3) No business shall be transacted at a meeting of a Committee ... unless more than one third of the number of members of that Committee are present.

Section 57 pertains to ‘*Resolution*’ and provides that ‘A member, who desires to move any resolution shall give notice of his intention to the Municipal Secretary at least two clear days before the day of

## Box 2 (contd)

the meeting of the Committee at which such resolution is to be brought forward’.

Section 58 pertains to the ‘*List of Business*’ and provides that ‘The Municipal Secretary shall send to each member on the day previous to the meeting the list of business for the meeting and except in special circumstances and with assent of the members present, no business not entered on such list shall be transacted at a meeting of the Committee’.

Section 64 pertains to ‘*Voting*’ and provides for the following:

- (1) Voting shall be by show of hands.
- (2) Every question shall be decided by a majority of votes of the members of the Committee present and voting, the Chairman having a second or casting vote when there is an equality of votes.

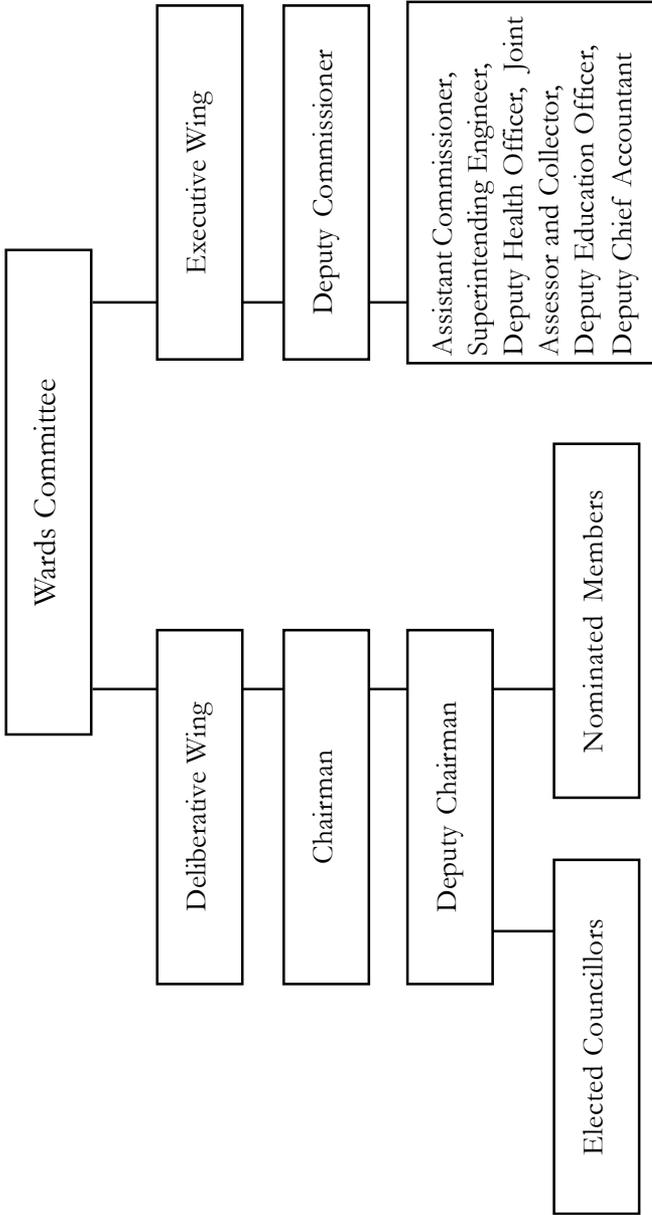
Section 65 pertains to ‘*Confirmation of Minutes*’ and provides for the following:

- (1) The minutes of a meeting shall be previously circulated and be taken as read unless the majority of the members request that such minutes be read.
- (2) If any member present draws the attention of the Chairman to any portion of the Minutes of the previous meeting as being erroneously entered in the minutes book, such correction as is deemed necessary by the Chairman shall be made before the minutes are signed.

Source: *The Delhi Municipal Corporation Act, 1957*

Available data show that of the total 134 seats, 51 (31 males and 20 females) have been elected against reserved seats. Presently, there is no nominated member associated with the political wing of the WC, despite provisions in the Act. It is learnt that such members are yet to be nominated. As mentioned earlier, the executive wing is headed by a deputy

**Figure 1: Composition of a Wards Committee in Delhi**



*Source: Civic Guide 2005 - Municipal Corporation of Delhi*

commissioner, who possesses all the delegated powers of the Commissioner and is empowered to take major decisions at the ward level (Figure 1).

The powers and functions of WCs are defined in the fifteenth schedule of the MCD Act. Specifically, these relate to: sanction of estimates and plans for municipal works costing up to rupees one crore; call for any report, etc. from the commissioner; scrutinise monthly statement or receipts; consider and make recommendations on proposals regarding estimates of revenue and expenditure; report or advice upon any matter; exercise all such municipal powers and functions of the corporation as are to be performed exclusively in the zone concerned.

Weekly meetings are held by each WC to discuss problems and take decisions on various matters concerning the ward and the citizens living in the ward. It is learnt that such meetings are held on every Friday, in which the WC Chairman, WC Deputy Chairman, ward Councillors, Deputy Commissioner of the WC and a representative from the office of the Municipal Secretary are present. Some issues raised by the councillors during a WC meeting held in the City Zone and Civil Lines Zone on May 20 2005 include the following: municipal officials to resolve ward level problems in consultation with the councillors; immediate steps to be taken for eradication of mosquitoes; mobilise resources for the welfare of the victims affected by the *Tsunami* and deposit the collection in the PM's relief fund; disposal of solid waste and purchase of equipment for collection of waste; proposed development works to be quickly launched and completed; installation of a motor at a tube well; cleaning of drains on a regular basis and disposal of silt removed from the drain within two days; disposal of waste water and provision of street lights in rural areas of a ward; etc.

During a meeting, resolutions are passed on the basis of voting by the elected councillors. The minutes of each meeting are noted and circulated among the members.

Insofar as the financial powers are concerned, Wards Committees are empowered to spend an amount ranging between rupees 25 lakhs and one crore for carrying out development works within the ward. For spending an amount beyond one crore, the approval of the Corporation is required. It is also learnt that the limit of discretionary fund for each councillor has been raised from rupees 75 lakhs in 2004-5 to rupees 85 lakhs in 2005-6.

**Recent Governance Reforms Initiated at The Ward Level**  
MCD has taken steps to adopt information and communication technologies to provide efficient, affordable, accountable and transparent municipal services to the people of Delhi. Information on some activities introduced in the recent past is provided below:

- 13 Citizen Service Bureaus – CSBs (12 in MCD Zones and one at Town Hall) are in operation. They provide the following services to the citizens: registration and issue of birth and death certificates; issue/renewal/amendment of all types of licenses, such as general trade licenses, factory licenses, general health trade licenses, *tehbazari* licenses, rickshaw puller licenses, etc.; collection of property tax; booking of parks/community centres for private functions; receiving payment through internet payment gateway. The MCD plans to expand the CSB service in all the 134 wards in the coming year.
- 13 IT stations have been set up in each zone and at Town Hall for monitoring the transactions done at Citizen Service Bureaus, printing of reports, creation of database and

editing of data, accessing of various IT applications developed by various vendors.

- Employees information system has been developed for achieving standardisation in the administration and assured functioning at the zones, departments and headquarters.

## **Conclusion**

In this paper an attempt has been made to describe the current nature of ward level management in the National Capital Territory of Delhi. It may be stated that the constitution and empowerment of Wards Committees by the Municipal Corporation of Delhi is an example of a decentralised form of urban governance. A review of available literature on the subject has shown that in a number of states of the country, committees have been constituted at the ward (s) level. The objective of this initiative is to create a government at the lowest level so that the needs of the people are addressed in the best possible manner. It is understood that the legislative procedure for constitution, composition and functioning of Wards Committees is not much different from that of the traditional form of local government unit existing in most urban centres of the country. The important dimension in this concept is the devolution of powers, functions and finance to a lower level of government, i.e., Wards Committees, which is closer to the people.

Wards Committees have been functioning in Delhi since the year 1997. The weekly meetings of the WCs are an important event during which issues of each ward are discussed, decisions are taken and resolutions are passed for the implementation of decisions. The municipal officials hold the view that empowerment of Wards Committees in Delhi has helped in improving the quality of life of citizens.

It may be concluded that there exists an urgent need to investigate the issues of governance at the ward level by systematic research. Past research has not adequately addressed this dimension of governance. Feedback from the councillors and the municipal officials should be collected on a regular basis regarding their experiences and the challenges that they face in the conduct of business at the ward level.

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### 3. Micro Level Planning and Municipal Ward Development: Issues and Policy Measures

*By Dr. I. Sundar*

#### **Introduction**

Cities have emerged as the prime engines of Indian economy and generators of national wealth. It is evident from the past fifty years of India, and the empirical evidence around the world that the future of India is inescapably urban. The National Commission on urbanization has stated that urbanization is the inevitable concomitant of economic change. It is time for us to treat urbanization as positive, historical force and care for our urban centers. It is time that the nation perforce invested in the destined social and economic functions of cities and should ensure that the city delivers a quality of life that would enable them to become national assets and catalysts of economic growth. India's major cities face a same problem: large populations and not enough infrastructure and services to support it. As a result, the housing shortage is as high as 23 per cent; one out of four urban houses has neither electricity nor potable water and only 50 per cent of the urban households have toilets. Public transport is limited and roads could be better maintained; two-thirds of urban roads need to be repaired. It is significant to note that even within a municipality, there is uneven development. Some wards are highly developed, some wards are backward and some wards are most backward. In practice there is a regional inequality among different wards in any municipality. This is due to the centralized municipal planning and it does not give due attention to the development of different wards according to the needs and the requirements. Hence there is a need to bring

in an integrated development of all the municipal wards. In this context municipal planning is conceived as an important strategy. Municipal planning is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve long term development. In general, planning done at the entire municipal level, may not be applicable at the ward level, because each ward has specific problems and prospects. Usually problems are area specific and such problems could be identified at the local level through the process of micro-level planning.

The need for ward level planning is realized due to variation in structure and growth of different wards in any municipality. Some wards receive more developmental assistance and infrastructural facilities while others are neglected. This situation leads to an uneven municipal development. There may be discrimination in allocation of municipal funds for the development of different wards. In general allocation could be made according to the needs and requirements of the wards. In practice due to the bargaining power of councilors, some wards may get more assistance while other wards need more support but they are not given due attention due to the lack of bargaining power of the councilors. Thus, micro-level planning is needed to develop the wards and thereby one has to take a scientific approach to the development of each ward. Through micro-level planning, balanced municipal development can be achieved.

The successful implementation of micro-level planning at the ward level depends on ward planning committee. It can be established by encouraging the participation of people and other stakeholders. This planning committee may include the ward councilor, traditional leaders, representatives from organized stakeholders groups, civil society; community representative and the general public of the area. The ward

level planning committee aims at providing an opportunity for stakeholders to represent the interests of their constituents, provide a forum for discussions, negotiations and joint decision-making. It can ensure proper communication between all stakeholders and the local planning system and monitor the planning and implementation process.

A proper assessment of available activities and services at the ward level is one of the constituents of micro level planning. At the ward level, the municipal councilor should make sure that the community is involved in the decision making process. It should be done through ward committees and community consultation. To learn about new ways to encourage community participation, there is a need to generate ideas on how to create jobs, protect the environment, save water, do away with poverty and so on. Ward level leaders need to know about these processes and build these into their practice.

### **Ward Committee**

An important and key feature of the new local government is the ward committee system. The objective of a ward committee is to enhance participatory democracy. A ward committee is formed with the councilor, representing the ward, as its Chairman and not more than ten other persons. Municipalities must make rules regulating the procedure to elect the members of the ward committee by taking into account gender equity and diversity of interests. Municipalities must make administrative arrangements for ward committees to function properly. The functions and powers of ward committees include making recommendations on matters affecting the ward to the ward councillor or through the ward councillor to the metro or local council, executive committee or executive mayor and such duties and powers as the metro or local council may be delegated to it.

## **Status of Ward Committees in India**

In the beginning ward committees were established in 12 states only. In some cities of Tamil Nadu and Andhra and Delhi, the membership of ward committees was limited only to the municipal councillors. Groups of 10 to 15 municipal wards were made for this purpose with the councillors concerned acting as a 'cabal' by excluding others from the Committee. Both the principles of proximity and participation had thus been disregarded. Thirdly in some places like Bangalore and Mumbai committees were set up for groups of wards with municipal councillors as members but only a small sprinkling of representatives from NGOs.

In West Bengal and Kerala committees were set up in each municipal ward. But even in the city of Kolkata in West Bengal, committees were formed for 71 out of 140 wards but they were not functional. Only in Kerala the principle of election is accepted and the membership of the ward committee includes elected representatives of resident's associations and neighbourhood groups to be elected. It will be seen that in the large cities, instead of creating proximity towards the people, a limited number of ward committees have only increased the distance. The composition of the committees in different states also indicates reluctance in establishing a participatory structure.

The financial allocations or fund-raising powers of the ward committees are almost absent. In Kerala and West Bengal some modest allocations of works to be carried out at the ward level have been given. But in none of the cities is there any arrangement or process whereby the inputs or proposals from ward committees or neighbourhoods are used in formulating the budgets for the city. Usually municipal budgets are prepared by the Chief Executive of the city government, discussed and approved at the municipal council. The

municipal councillors show an interest and seek to ensure funds for their own constituencies. Hence it is very much like a 'national budget' and the process is simply not participatory. In such a general situation of exclusiveness it is futile to imagine that people in general or the poor in particular will have much of a role in municipal governance.

Nevertheless people in different cities where ward committees have been set up refuse to give up easily. In seeking legislation for the formation of ward committees and in their subsequent establishment citizen groups have gone to the extent of filing cases in the Court as in Bangalore. Court decisions have helped in the Ward Committees being formed and the citizens have also been insistent on the regularity of the meetings.

### **Structure and Purpose of the Ward Committee**

The purpose of a ward committee is to get better participation of the community in informed council decisions; to make sure that there is effective communication between the council and the community; to assist the ward councillor in consultations and report to the community. A ward committee consists of the councillor who represents the ward, as elected in the local government elections and a maximum of ten people from the ward are elected by the community. Women should be equally represented on ward committees.

### **Role of the Ward Councillor**

A ward councillor is directly elected to represent and serve the people in a specific ward. The ward councillor should make sure that the interests of the people in the ward are represented as much as possible. The ward councillor should be in touch with the issues in the area, understand the key problems and monitor development and service delivery. At committee and council meetings, the ward councillor should act as a spokesperson of the ward. The ward councillor is the direct

link between the council and the voters. The councillor should make sure that voters are consulted and kept informed about council decisions, development and budget plans that affect them. People can also bring their problems to the ward councillor who should deal with them in an appropriate way, by taking up matters with council officials.

### **Role of the Ward Committee**

The main role of the ward committee is to make sure that voters are involved in and informed about council decisions that affect their lives. The ward committee should be set up in a way that it reaches most sectors and areas in the ward. The ward committee's main tasks are to communicate and consult the community in respect of development and service plans. It has no formal powers whatsoever to force the council to do anything. The council should provide support, for example, providing publicity for meetings, giving financial support, to enable the ward committee to do their work.

The ward councillor is the direct link between the local council and the public. It is his or her responsibility to make sure that people are consulted and kept informed about council decisions, development and budget plans and any council programmes that will affect them. Ward committees can play an important role in creating a democratic culture of local participation and accountability. Community participation, using the ward committees can, happen in the following ways:

### **Assessing and Approving the Budget**

Approving the budget is one of the most important functions of the ward councillor. The ward councillor should not approve the budget if there is no proper consultation with the ward committee and other stakeholders. So, ward committees play an important role in the process and they should look carefully into every aspect of the budget that will affect the

people in the area. Every member of the community has the right to observe the special council meeting when the budget is debated and voted on.

Ward committees should also be given regular feedback on the 'cash flow' of the municipality. 'Cash flow' is the movement of money into and out of the municipality's bank account. If too much money is spent and not enough money is raised, the municipality will eventually go bankrupt.

Ward committees should have the right to ask questions about how the 'cash flow' is planned, monitored and followed up by the treasurer and the executive or the mayoral committee. Members on the ward committee can also play a positive role in the 'cash flow' of the municipality by setting an example and paying all taxes for services, encouraging others to pay their rates and taxes, challenging any waste of municipal money that people hear about and demanding an investigation and making the councillor accountable for fighting corruption or wastage of municipal funds.

### **Micro Level Planning and Participatory Approach**

Participation in the micro level planning process is only one of several arenas of participatory interaction between local government and citizens. Other means of ensuring participatory local government are: offering people choices between services; citizen and client-oriented ways of service delivery and public administration; partnership between communities/stakeholder organisations and local authorities in implementation of projects; and giving residents the right to petition and complain and obliging municipal government to respond.

Participation in the development of municipal micro level planning has to be seen within this wider context. It serves to fulfill four major functions:

- i. Needs orientation: Ensuring that people's needs and problems are taken into account.
- ii. Appropriateness of solutions: Using the knowledge and experience of local residents and communities in order to arrive at appropriate and sustainable problem solutions and measures.
- iii. Community ownership: Mobilising local residents' and communities' initiatives and resources, and encouraging co-operation and partnerships between municipal government and residents for implementation and maintenance.
- iv. Empowerment: Making integrated development planning a public event and a forum for negotiating conflicting interests, finding compromises and common ground and, thereby, creating the basis for increased transparency and accountability of local government towards local residents.

These functions must always influence the choice of appropriate procedures and mechanisms for public participation. Structured participation is largely based on the existence of a set of organisations with certain rights in the planning process. While the organisational arrangements differ widely in detail from area to area, the following minimum requirements have to be regulated.

- i Ward Committees are the organisational framework through which communities in geographical areas can participate in the planning process.

- ii Stakeholder organizations, which represent certain social, economic, gender or environmental interests have to be registered as ‘Stakeholder Associations’ (at municipality level) through which they can participate in the planning process.
- iii. The council and the chairperson of the micro level planning committee have to make sure that all relevant groups and all social strata are given opportunity to be adequately represented. Unorganised groups should be represented by ‘advocates’ (e.g. social workers, NGOs, resource persons who have done studies on such groups, etc.).
- iv. All Ward Committees and Stakeholder Associations should be represented on the ‘Representative Micro Level Planning Committee’ which will form a formal link between the municipal government and the public. The Representative Micro Level Planning Committee Forum should be a permanent organization and should be in charge of monitoring the performance during micro level plans implementation. Meetings of the Micro Level Planning Forum have to be attended by members on the Micro Level Planning Committee and by the councilors.
- v. Micro Level Planning Committees and their technical, and programme-related sub-committees or task teams can include representatives from ward committees and stakeholder associations or resource persons from civil society if the municipality considers it appropriate. Such representatives may be permanent sub-committee members to be invited on a temporary issue-related basis.

### **Role of Ward Committees**

Ward committees should work closely with the councillor and other community organizations to identify priority needs and make sure that these needs are included in the budget proposals of the micro level plan at the ward level.

### **Monitoring Council Activities on a Regular Basis**

Ward committees should insist on regular reports and feedback on municipal projects and services, either at ward committee meetings or at public hearings. If necessary they should make constructive suggestions for improvement and organise the community to help get the job done.

### **Monitoring Annual Performance**

The council should prepare a report on the ward committee at least once a year. It shows how it has performed in relation to their objectives and the budget. This usually happens at the end of the financial year. The report and audited financial statements must be made available to the public.

### **Direct Advice and Support**

Councillors are the most direct form of access the people have to government. Usually people will turn to a councillor for direct advice and support. Once some problem is referred to a councillor, the person can demand a report on what the councillor is doing or has done to deal with the problem.

### **Requesting the Councillor to Set Up a Regular Clinic**

The councillor is requested to set up a regular clinic on specific days at a certain place in the community. This means the councillor must be available to anyone from the community at the agreed time. These dates should be advertised in the community.

## **Lobbying**

Communities can use their councillors as lobbies with committees, with the Mayor and with other spheres of government. Lobbying methods include: making submissions to committees or chairpersons of committees; calling or writing to individual decision-makers; meeting decision-makers or inviting them to meet people in their community; asking other influential people in positions of power to talk to the decision-makers informally; writing letters of complaint or to demand certain action; create group pressure by collecting signatures and submit a petition to influence decisions.

## **Micro Level Planning Issues**

Micro level planning helps the ward committee to focus on the most important needs of the local people, taking into account the resources available at the local level. The local ward-planning forum must find the most cost effective ways of producing services and money can be spent on the causes of problems in local areas. The successful formulation and implementation of micro level planning at the municipal ward level depends on many factors. In this connection some points can be discussed here.

All efforts at the ward level should be made to promote the best use of a community land and resources for residential, commercial, institutional and recreational purpose. Efforts should be made to address issues such as traffic congestion, air pollution and the effects of growth and change on a community while planning at the ward level. An examination of the proposed community facilities is essential and such facilities could meet the changing demand placed upon them over the time. The planning at the ward level should keep abreast of economic and legal issues involved in zoning codes, building codes and environmental regulations. They should

ensure that builders and developers follow these codes and regulations.

Before preparing the micro level planning for community development, planners have to report on the current use of land for residential, business and community purposes. Their reports should include information on the location and capacity of streets, highways, water and sewerlines, schools, libraries and cultural and recreational sites.

In preparing the micro level plan at the ward level, the use of computers to record and analyse information is desired to prepare reports and recommendation for government executives and others. Computer database, spreadsheets and analytical techniques could be widely utilized to project programme costs and forecast future trends in housing, transportation and location of amenities and facilities.

Planners at the micro level have to inspect the features of land under consideration for development and regulations, including its current use and the types of structure on it. In this context planners should think in terms of spatial relationship and visualize the effects of their plans and design. They should be flexible and be able to reconcile different view points and make constructive policy recommendation.

In micro level planning, data relating to location specific rates of employment creation and business formation and exactly to develop the micro region could be collected and thereby some action oriented activities could be brought out. The micro level planners should have data on how the behaviour of household is influenced by their location and interaction with other households.

At the ward level a proper arrangement could be made to manage solid waste. Here making thorough investigation of the entire municipal ward can assess required facilities. Identification of area for municipal land fill and possible ways of disposing and recycling solid waste could be done at the ward level to reduce the overall municipal burden on solid waste management. Ward planning committee should conduct periodic survey to analyse the carbage and sewage water stagnated places and they should take appropriate actions to remove such problems.

### **Conclusion**

It could be seen clearly from the above discussion that planning at the municipal ward level is not an easy task. This type of planning has not been successfully attempted in India. The formation and implementation of such planning will promote effective development at the micro level.

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## 4. Ward Committee: A Tool for Participatory Local Governance

*By Mr. Kaushal Vidyarthee*

### **Introduction**

The main objective of local self government is that the local representatives are given the responsibility to look after local affairs. The decentralisation initiative by government in terms of 74<sup>th</sup> Constitutional Amendment Act for clear devolution of functions to local governments and clear delineation of functions between state government and local government has made very little progress to fulfil the objectives of local self government, which emphasizes on the participatory approach towards governance. The concept of Ward Committee is also the part of amendment, which is intended with the purpose of enhancing links between citizens and city governments. The proximity between the people and the elected representatives has been envisaged as the foundation concept of Ward Committee by the amendment, but whether that has been true on ground realities or not is the question of concern. If not true, then what are the imperfections in the evolution of Ward Committee that has to be perfected to have an ideal ward level management system has been given importance in the paper.

The objectives of the paper are to look critically at the steps taken in regard to wards committees formation, the structures adopted and their actual functioning. Based on these observations, the paper tries to define the characteristics of an ideal ward level management system for effectiveness of wards committees as a platform for participation in urban governance, particularly effective urban service delivery at

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local level. An ideal level ward management system is not defined easily. It takes many forms and has several dimensions. The study has taken into account all the possible ways of capturing the initiatives in regard to Ward Committees.

The first section of the paper deals with the background of Ward Committee system focussing on the 74<sup>th</sup> constitutional amendment act, which confers on urban local bodies the 'right to live' and function as institutions of self-governance. Whereas the second section of the paper describes the existing scenario and analyses the imperfections in evolution process of Ward Committee in terms of its size and composition, functions assigned by laws and rules, availability of finances and powers to raise finance at ward level, roles and responsibilities of elected bodies as well as NGOs and RWAs, working arrangements with in committee at local level and its effectiveness as platform for participation in urban governance and effective service delivery. The third section tries to asses the positives and negatives of current system and raises issues. In fourth section, there is just an attempt to characterize the ideal ward level management over the existing scenario of Ward Committee system with an indicative provision for devolution of power and responsibilities, induction of participatory structure and better service delivery mechanism. Major findings and key issues in the existing system and important characteristics of an ideal ward level management system are discussed in the concluding part of the paper.

## **Section I: Ward Committee and Urban Local Government**

### **Urban Decentralisation**

Urban decentralisation- devolving powers and responsibilities to the municipal bodies was a result of the increasing pace of

urbanisation, particularly in the larger cities. India's urban population has grown phenomenally over the past five decades with about 7-8 million people being added to the urban population each year. The level of urbanization increased from 17.3% in 1951 to 25.7% in 1991, and is 29% at present. The basic objective of decentralization is to empower the municipal bodies both administratively as well as financially for 'Good Governance'. While decentralisation confers the right to local self-government, good governance outlines its responsibilities.

### **74<sup>th</sup> Constitutional Amendment Act**

The Constitution (74<sup>th</sup>) Amendment Act of 1992 (CAA) is the culmination of a prolonged debate in post independent India for devising a democratic and empowered system of municipal government in the country. It makes a significant beginning of reforms to constitutional recognition to municipal governments. The CAA visualises a larger role for the municipalities and functions such as urban planning, urban poverty alleviation, urban forestry, protection of environment and promotion of ecological aspects, and slum improvement and up gradation have been envisaged to be assigned to municipalities. The Act has introduced some fundamental changes in the system of local governance. The emphasis is on creating democratic and participatory structure at the local level, making the municipalities accountable to their electorate. For the same, the act provided an institutional framework to enhance people participation in urban local governments through the formation of Ward Committees. The Amendment also provides for the constitution of District Planning Committees and Metropolitan Planning Committees, which should consolidate plans prepared by local governments in collaboration with elected representatives.

The CAA stipulated that the states should amend their laws so that they became consistent with the provisions of the

constitutions. This was to be done within one year of the commencement of the new provisions in the constitution. The enactment of election laws and holding elections at regular intervals, constitution of the State Election Commission (SEC), and constitution of State Finance Commission (SFC) were among the series of actions the state governments were required to take. In simple words, the Amendment aimed to enhance people's participation through decentralised and consultative decision making, greater transparency, stronger finances and a more rigorous democratic process.

### **Spirit Behind the Ward Committees**

In the context of this paper, the provisions in regard to Ward Committee are the most important. It has been to ensure some proximity between the citizens and their elected representatives. The Committee has been expected to serve as an effective forum for interaction with the ward councillor and rendering the process more accountable. The Ward Committees were made mandatory in case of cities with more than three lakhs of population (Article 243S). However, their size and manner of composition were left to be determined by the state legislature. The states are supposed to take steps to constitute these committees and define their functions. Adequate representations in the Wards Committees have to be given to different sections of the population in the area including weaker sections, women, NGOs and voluntary agencies. Participation of the people in the planning and development activities at different levels is central to the concept of Ward Committee and the amendment.

### **Legislative Conformity other than CAA**

The Model Municipal Law (MML) enables introduction of various reforms, such as enhanced powers to elected members through formation of empowered standing committees; setting up of Ward Committees; enhanced internal revenue

generation capacities; improved financial accounting and management; issuance of municipal bonds; involvement of private sector participation in delivery of services; preparation of annual environmental and subsidy reports; and setting up of state municipal regulatory commissions.

Many objectives of Agenda 21 requires action at the local level, the participation of local authorities in planning and implementing economic, environmental and social policies. Agenda 21 also stressed that local authorities play a vital role in raising awareness and educating people in promoting sustainable development because these were the level of governance closest to the people.

## **Section II: Ward Committee System in Existing Scenario**

### **Functions of the Ward Committee**

Ward Committee in India has just begun to function. Leaving few states apart, the functions of Ward Committees are merely symbolic. The Kerala Municipalities Act clearly states that every Ward Committee shall prepare a development plan for the Ward along with an estimate of the expenditure and the Municipal Corporation shall prepare the development plan after taking into consideration the plans submitted by the Ward Committees but this is not being done in many of the Divisions. The Mumbai municipal corporation by a resolution has allowed the wards committee to handle grievance redressal, consider and recommend expenditure proposals concerning their geographical jurisdiction, and grant administrative and financial approval to plans of municipal works of ward level. In case of Madhya Pradesh, the functions assigned to the wards committees are specified in rule 3 of “MP Municipal Corporation rules 1995”. These comprise almost all possible municipal functions. In practice many of these functions are

partly handled by ward committees. In many others, committee have no role.

**Table 1: Functions of Wards Committees**

<i>Supervisory Role</i>	<i>West Bengal</i>	<i>Kerala</i>	<i>Karnataka</i>	<i>Maharashtra</i>
1 Unlawful construction	☒	☒	☒	
2 Execution of some municipal works	☒	☒	☒	
3 Assessment and collection of property tax	☒	☒	☒	
4 Issue of birth and death certificates	☒		☒	
5 Monitoring use of municipal services	☒	☒	☒	
6 Redressal of public grievances	☒	☒	☒	☒
7 Literacy expansion programmes	☒	☒		
8 Maintenance and repair of roads			☒	
9 Maintenance of sanitation and public health; parks, tanks etc.	☒	☒	☒	
10 Issue of licenses: lodging house, places for animals, slaughter houses, factory, shop etc.			☒	
11 Permission letter for burial / cremation			☒	
12 Urban poverty alleviation programmes	☒	☒	☒	

*Source: Sivaramakrishnan, 2004*

The role of Ward Committee in the provision of basic services such as water supply, sanitation, solid waste management and housing in urban areas has remained minimal. It is sanitation alone, where sanitation staff posted at the ward level that functions under the control of and supervisions of Ward Committees. The poverty alleviation measures like slum improvement and access to infrastructure for informal sector has not yet been given any stress.

The ISS study also shows that it is only in West Bengal, Kerala and Karnataka that some thinking has been given to the functional domain of Ward Committees. In Maharashtra the functions of Ward Committees are merely symbolic.

### **Formation and Structure of Ward Committees**

An ongoing study by the Institute of Social Sciences (ISS), Delhi indicates that the arrangements made in the different states are highly varied and in several cases contrary to the spirit and substance of the Constitution. For example, Madhya Pradesh has allowed cities with lesser populations than three lakhs to form Ward Committees if they desired so, (one committee for one lakh population) and the total numbers of wards in the municipal corporations would go to a maximum of 70 and a minimum of 40 in larger cities. Mumbai has 16 Ward Committees for 227 electoral wards. Pune 13 wards for 111 electoral wards. Nashik 6 wards committees for 108 electoral wards. Also, only in case of Kerala, no. of wards is equal to no. of wards committee (Jha 2005). In Gujarat conformity legislation has been passed but surprisingly wards committees have not been constituted in any of the cities in the states. In case of average population per Ward Committee, Delhi has 11.48 lakhs while Kochi has 9000 population. It is evident that there is no uniformity in terms of the population of the spread of the geographical area that a wards committee would cover. This is true even within a state and across states.

### **Finances and Power of the Ward Committee**

The financial allocations or fund raising powers for the Ward Committees are insignificant. In Kerala and West Bengal some modest allocations for works to be carried out at the ward level have been given. In none of the cities is there any arrangement or process whereby the inputs or proposals from Ward Committees or neighbourhoods are used in formulating the budgets for the city (Sivaramakrishnan 2004). Allocation of funds in the budgets of municipality towards wards committee for ward level projects is still a dream in every state. The resolution in states seems to have succeeded only in providing a long list of functions and responsibilities to the ward committees without doing much in empowering them with the financial powers. So far as the financial condition of the ULBs in India is concerned, it is largely dependent on state government's transfers either through various grants or assigned revenues (Bagchi, 1999).

### **Role and Responsibilities of Elected Representatives, NGOs, CBOs & RWAs**

The roles and responsibilities of elected representatives with in the wards committees are greatly circumscribed by the thin nature of responsibilities handed over to the wards committees. This is found true in many states like Madhya Pradesh and Maharashtra, where Ward Committees are functional. In most of the cases, membership to the committee is limited only to the Councillors with a small sprinkling of representatives from NGOs, RWAs, CSOs or CBOs. There is little interaction with citizen's groups, NGOs or CBOs for decision-making. They are consulted neither for fixing local priorities nor for monitoring progress of works being executed in their areas.

In the city councils the Ward Committees and their elected members operate on political lines leaving little scope for professionalism in the planning process. In many case, the

NGOs representative appointed by these Ward Committees are too few in number to take any significant impact in terms of decision-making. The general scene is that NGOs selected and their representatives are people and institutions with political affiliations. This is further reduced by their inability to vote.

The role of Ward Committees is being outplayed by local forums in some cities for example. In Bangalore, a Citizens Participative Forum called 'SWABHIMANA' has been set up with a view to provide a platform for NGOs, Voluntary agencies and resident groups to interact with civic agencies. The presence of public-private co-operation as a direct link between the local self-governments and private contributors is also missing.

### **Efficacy as Participatory Platform**

Rules and committees can only be formed; it is for the people themselves to make use of these. This is found that very few citizens know how these committees can help them. "Do you know any Ward Committee members in your area?" When this question is put across to people at random in cities where Ward Committees has been formed, the polite replies may be, "What is that?", "I have no idea" and "Ask the Councillor." It seems only the Councillor of the division concerned and perhaps the Ward Committee members themselves are aware of who these members are! Thus it can be said that the participative character of the Ward Committees is extremely weak. These are all dominated by elected councillors.

There were 30 Ward Committees in Bangalore, one for every three Wards, and that each Ward Committee had eight nominees from the Government. "My God, this committee idea should not be enough", he thought, "For one-and-a-half lakh people, we have a committee of eight people to decide? How

should this work? Where is the opportunity for average people to take part?” He realised that despite so much energy and education, there was no opportunity for the city dwellers to take part in issues of local government, unlike how it was in his village (Ramanathan 2004). There is no opportunity for them to discuss common issues. There is no platform for decision-making.

The frequency of meetings, attendance and level of citizen participations vary every municipality. Some time not open to public but media covers the meeting, somewhere

Citizen can have access to minutes. More over policy directions of the state government relating to citizen charter and right to information have not been followed in letter and spirit in most of the cities.

**Table 2: Number of Ward Committees in some Municipal Corporations**

<i>Municipal Corporation</i>	<i>No of Wards</i>	<i>No of Wards Committees</i>	<i>Population* per WC</i>
Greater Mumbai	221	16 Wards Committees	3,97,000
Kolkata	141	01 Wards Committee for each ward	31,000
Delhi	134	12 Wards Committees	6,01,000
Chennai	155	10 Wards Committees	3,84,000
Pune	111	13 Wards Committees	1,21,000
Kanpur	110	11 Wards Committees	1,71,000
Lucknow	110	11 Wards Committees	1,47,000
Varanas	80	08 Wards Committees	1,16,000

\* Based on 1991 census figures for Municipal Corporation

*Source: Loksatta Report - Empowerment of Local Governments*

## **Section III: Major Issues in the Existing Ward Committee System**

### **Functions, Powers and Structure of the Ward Committee**

The evident issues are of uniformity in terms of the population or the spread of the geographical area that a committee would cover. This has created the large gap between citizens and municipal wards committees for effective dialogue, grievance redressal and efficient service delivery. Under utilisation and under publicity of Ward Committee system are also a concerning issues. The states where there are yet no municipalities, the opportunity to common people to participate in decision-making process through ward committees system has been denied. The utilization of ward committees in the cities without development authority is required to be stressed. Rigorous efforts to enforce the constitutional provisions and genuine empowerment of committees like MPC and DPC have not been taken in many. The hierarchical failure of such constitutional provisions has impact on ward level system.

Absence of resolutions in many municipalities, which may allow committees to handle grievance redressal, consider and recommend expenditure proposal and grant administrative and financial approval to plans in their area is another issue to be tackled. Use of the funds is suboptimal and ability to take independent decision is severely limited. The financial powers of the Ward Committee are miniscule and meagre and their participation in budget making is merely recommendatory. There are no divisions of financial resources between the council and its wards committees. Clearly the silences of the constitutions in regard to functions and finances of the wards committees and leaving these to discretion of states has not helped the cause of decentralisation. At the present moment functional domains of Ward Committee are very narrow. How

ever with a weak power base, the wards committee are weak in service delivery. Now the main issue is to make its function more effective in the service of local people.

### **Community Participation**

NGOs and CBOs representation in Ward Committees is a process that is still in its infancy. Although the Resident Welfare Associations have helped to mobilize local effort but a proper co-ordination has not been set up by Ward Committee for better participatory platform for local planning and implementation. The excellent model of community participation and decision making of SJSRY (*The SJSRY, a centrally sponsored poverty alleviation programme in urban areas has institutionalized participative structures through NHG, NHC and CDS*) has been kept out of the purview of urban local bodies. In general, the Ward Committees meetings degenerate to a mere criticism of officials instead of discussing development.

### **Transparency and Accountability**

Transparency and the right of the people to information are much more a part of the government's agenda now than ever before but this issue has to be taken care of in case of ward committee through citizen charters and the right to information act as powerful tools. Information technology has not been key sector yet in the ward management process. Information about what is happening in the wards rightfully belongs with every citizen.

### **Urban Poor: Slum Dwellers and Informal Sectors**

Although the 74<sup>th</sup> amendment makes a historical departure in this regard by including poverty alleviation, improvement of slums and planning for social and economic development among the essential functions of the urban local governments, the contribution of Ward Committees in mainstreaming these functions is very insignificant. Urban poor have never been

treated as the official citizens of the city and are restricted in their entitlements and contributions to the government process. The agendas of planning for urban poor in municipal governance are a new space and challenge. However these spaces are yet to be utilised. More than 600 towns with population more than 50000 have more than 4 crore people in slums—around a quarter of their aggregate population. Mumbai's 50 percent population lives in slums. Even Meghalaya is having more than 40 percent urban population living in slums. Kerala is the only state, which has less than 2 percent of urban population living in slums.

However with all the imperfections in the current functioning of the wards committees, it must be conceded that with their formation, the structure of the corporation has changed and local democratic institutional body now exists in the wards. Ward Committees have opened up a new channel of communication in the ward structure. Some matters have been brought closer to the people. With even a small window of opportunity provide to them, a new power structure has emerged within the municipal body that is ever so slowly shifting the powers of that organisation closer in the direction of citizens.

## **Section IV: Ideal Ward Level Management**

### **Principles of Ideal Ward Level Management**

For urban local bodies in India to function as institutions of self-government, there are certain prerequisites. These can be identified as (a) clearly demarcated areas of jurisdiction, (b) adequate power and authority commensurate with responsibilities, (c) necessary human and financial resources to manage their affairs, and (d) functional autonomy within the federal structure. The Constitutional amendments provide for all these. The same prerequisites at lower level (ward level)

should lead to an ideal management system. Three major principles at the base of an ideal ward management system can be following:

A) Principle of Democracy in Structure:

Democracy believes that people have enough common sense to make decisions. One may question if the people commit mistakes. Yes, they can; we all do. Then, I hold a view that 'the right to commit mistake should lie with the people who have to bear the consequences' and 'the people should not be made to suffer for somebody else's mistakes.

B) Principle of Autonomy in Functioning:

Ward Committees have been subjected to so many limitations on financial side. There is mismatch between rights and duties. Duties cast upon them are much larger than rights they have over resources. The gap has to be bridged through transfers from the higher levels, as well as allowing Ward Committees to generate its own resource form grants and loans as a matter of right. However functional autonomy has to be meaningfully supported by enough financial independence.

C) Principle of Diversity in Preferences:

As human beings, we are very similar in very broad terms but our needs may be not quite similar depending on geography, necessity and culture, which make us, choose some very different goods. It can scarcely be gainsaid that the quantity, intensity and priority of our collective wants for local public goods may differ considerably within city also. This must be encouraged through strong participatory mechanism.

### **Objectives and Characteristics**

The ideal ward level management system may overcome the problems of existing system by properly defining the parameters like size and composition, functions assigned by

laws and rules, availability of finances and power to raise finance, roles and responsibility of representatives and NGOs and working arrangements within the committee. Ideally, Ward Committee should be used as a tool for representative and participatory democracy in the system of local governance. It should be empowered to emerge as a platform to bring some convergence at the ward level for the work of many agencies & groups in identification of key performance areas of a ward, local area planning, ward level analysis of municipal budget, formulation of schemes, service delivery plan and addressing problems of municipal non-performance etc. It should serve the purpose of bringing about a measure of accountability from the ward councillor. Strengthening the concept of proximity between people and the elected representatives should be focus of the ideal ward level management.

### **Power and Functions**

To make local government more responsive and accountable, local governments should have to reduce administrative controls and handover a majority of the developmental functions to Ward Committees. Functions like local road maintenance, garbage clearance and street lighting, waste management, maintenance of storm water drains etc should be fully transferred to the Ward Committees. They should prioritize and carry out the local works and participate in ward level planning. They should prepare a development plan for the Ward along with an estimate of the expenditure based on Kerala experience. It should emphasize the quick redressal of public grievances. WC should be entrusted with adequate powers and resources to: Monitor the hawking activity of a particular ward and the quality of the services provided in the urban slums. The Ward Committees should have full powers to accord sanction for any works in the plan of ward, which

improve the quality of life costing up to certain limit. No further sanction of the corporation office should be required.

### **Performance Plan**

An independent body should prepare a performance plan which will provide with information on how the committee has done against the performance indicators and service improvements promised last year and should show how it has fared in compare with other committees. It should help to achieve continuous improvement by asking some fundamental questions: - Does the local community want the service? Is it delivering the right product/service at the right price? Could someone else provide a better quality service? How the service can be improved?

### **Structure and Participatory Behaviour**

There should be defined administrative arrangements within to enable Ward Committees. Functionaries responsible to such functions should be under the control of Ward Committee. Salaries and maintenance expenditure should be borne by the Ward Committee. Every ward shall have a Ward Committee as opposed to multiple wards. A Ward Committee must be for every 25000 - 30000 population. Ward Committee should be formed in all municipalities irrespective of the population criteria of more than 3 lakhs, like Madhya Pradesh. Zoning or divisional committees in larger cities can be made comprising 10-12 ward committees for balanced development. The committee should rely on interactive meetings with a large number of citizen groups for success in opening up the service agencies to a participative process. The meetings should be held regularly (once in a month) and must be open to all citizens. Through a Ward Committee meeting local residents can a) find out more about local services b) put forward views about local issues c) find solutions to local problems and d)

help make council and other services work better for the benefit of the whole neighbourhood.

### **Finances**

Ward Committees should have their own local budget to spend. This can be used to pay for committee services, local projects or to attract other funding into the area. Ward level budgeting and accounting system for its projects must be introduced to bring efficiency in delivery of services. It would be desirable to allocate a portion of municipal budget to the wards committees. The allocation percentage could be based on a set of parameters like population, area, backlog of infrastructure and services. Alternatively, Ward Committee should retain a share of the property taxes collected locally, depending on the locality. e.g.: Poor areas should retain 100% taxes. Middle- income areas should retain 2/3 of all residential property taxes (non commercial). Affluent areas should retain 1/3 of all residential property taxes (non commercial). The balance tax amount should go to the central pool for the Municipal budget. The Ward Committee should be made available a proportion of revenue generated from registration fees and monthly fees to be paid by hawkers from their ward. The Ward Committee may raise other resources through donations and other contributions from private bodies.

E- governance and new public management techniques should be promoted through wider coverage of corporation's network. Each ward must have civic centre, where the citizens could pay their taxes and fees. There should be a bottom-up process where in all the NGOs and CBOs of the ward come together to propose their collective representatives, in this way a forum of NGOs and CBOs should be created in each ward who would question their representative thus creating a more accountable structure. There must be provision of minimum number of members and defined representation from NGOs,

CBOs etc. The Ward Committee should be composed of representatives of hawkers, planners, police, local councillors, resident welfare associations, traders associations and municipal functionaries.

### **Conclusions**

In present scenario, the absence of genuine decentralisation, organizational changes and especially power sharing are imperative. Such things have led to under utilization of Ward Committee system. Although the proximity between the people and the elected representatives is the foundation of the concept of the Ward Committee, very few opportunities has been provided so far to the common people to interact with councillors. Also the arrangements made in the different states are highly varied for the aspects like number of committees, memberships, frequency of meetings & augmentation of resources and in several cases it is contrary to the spirit and substance of the Constitution. The primary issues facing Ward Committee revolve around the need for autonomy, accountability and transparency, planning, participatory and consultative nature. The wards committee were expected to provide a legal framework of decentralized municipal governance and community participation. In reality they have fallen short of aspirations on both counts.

The ideal ward level management system may overcome the problems of existing system by properly defining these parameters. Ideally Ward Committee should be used as a tool for representative and participatory democracy in the system of local governance. In the ultimate analysis, devolution of administrative and financial powers from the city to the ward level is axiomatic to enhance the responsiveness of the governance process to local issues and priorities. The ideal form of wards committees may take time to evolve. It could be said that presently Ward Committee system is undergoing

a process of evolution and is exhibiting all kinds of imperfections that mark an innovation that is still to take roots.

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## 5. Institutionalising Citizen Participation – A Proposal

*By Mr. Ramesh Ramanathan*

From a constitutional standpoint, there has always been a bias towards the rural voter, whether it be the Directive Principles of State Policy or the 73rd Constitutional Amendment. While the voter was a central figure in the 73rd Amendment, in the 74th CAA on urban decentralisation, there is no mention of the phrase “a body consisting of persons registered in the electoral rolls”. Even in Article 243S, which discusses the Ward(s) committee, the Amendment is still engaged with institutional arrangements rather than recognising the centrality of the registered voter, as in the case of rural decentralisation.

These Constitutional Amendments have percolated down to State laws for rural and urban decentralisation that mirror these biases. Two reports were prepared to assess urban decentralisation - the National Commission to Review the Working of the Constitution (NCRCW), and the Sen Committee Report to review Decentralisation in Kerala. However, these reports, while making incisive observations about the poor functioning of urban decentralisation and the need for greater citizen involvement, did not go far enough to fill the fundamental gap in the architecture of decentralisation to give a clear and formal to every urban voter.

Janaagraha’s experience in Bangalore has provided substantial evidence that urban residents – even in large metros – care deeply about their city, and wish to participate. Indeed, the amount of social energy that can be harnessed is extraordinary, if the appropriate structures are made available to the citizen.

As indicated in the earlier section, urban local governments also face a range of other challenges that also require changes in law, jurisdiction, administrative streamlining, decision-support systems etc. Credible, realistic solutions are available for these issues as well, so that a holistic governance environment can be created in urban India. We cannot adopt an “either-or” approach to resolving issues of urban governance: all reforms are required, and we need to find the intellectual bandwidth and institutional energy to push for all necessary reforms.

The suggestions for reforms in municipalities being made here will concern themselves only with two aspects: one, ensuring that the urban citizen has access to a platform for full freedom of expression; and two, that this mechanism also functions as a platform of accountability from the local government. Both these aspects are being clubbed together under the broad heading “Institutionalising citizen participation in urban areas”.

Any response to such a demand for citizen participation needs to address the following issues:

1. The creation of a mechanism for every registered voter to participate in issues of local government, in a meaningful manner. This means creating an appropriate tier below the ward-level.
2. An unambiguous role for these ward- and sub-ward platforms, so that there is a seamless integration between their role, and that of the municipality. This role should be comprehensive, extending from planning to budgeting to oversight and financial authority, and possibly also to spatial planning issues like zoning, change in land use and comprehensive development

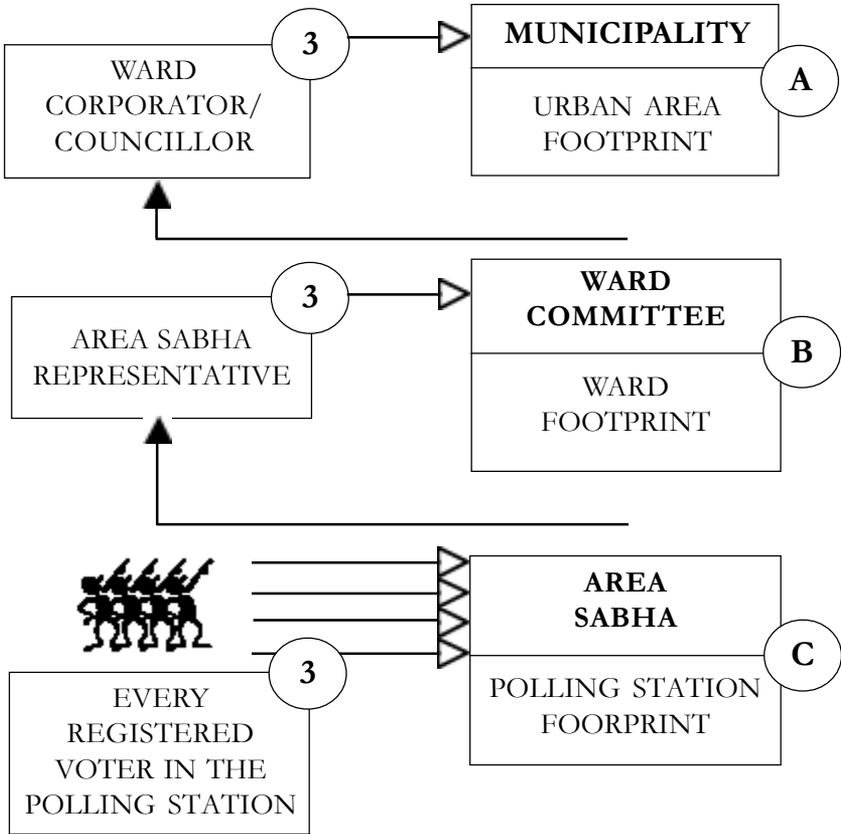
plans that can be built bottom-up.

3. The integration of the internal systems of the municipality to support such a decentralised architecture: appropriate accounting and budgetary systems; administrative support; establishment of necessary bank accounts; ward maps and GIS systems; data collection mechanisms at the ward-level on issues like building starts and other such economic activities; voter rolls and BPL lists, and so on.
4. A calendar of activities that define clearly how these grassroots decision-making systems are linked to the processes at the municipality. For example, the municipality budget is to be placed before the Taxation and Finance Committee at a certain time of the year, normally around January. It is then placed before the Council within a few weeks, for approval. In any proposed system of decentralisation, full teeth to their roles can only be provided if they have a say in the budgeting process. This means that a calendar of their budgeting process needs to be created, to synchronise with the overall municipality calendar.

In fulfilling the above requirements, the first is the most critical: the establishment of the appropriate legitimate political and accountability “spaces”. Once these are done, then these spaces can be mandated with functions, roles and responsibilities, with appropriate support systems, to fulfil these responsibilities.

This article concerns itself only with the first issue: the structure of decentralisation that links urban governance to the last citizen. The other issues of functions, duties and responsibilities are addressed separately in a separate document. The figure below illustrates the solution being suggested:

**Figure 1: Below Describes The Proposed Structure in Detail:**



### **Proposed Urban Decentralisation Structure**

It can be understood in terms of PLATFORMS and PARTICIPANTS.

PLATFORMS: There are three, at the level of the Municipality (A), at the level of the Ward (B), and at the level of the Polling Station, called the Area Sabha (C). There shall be a Ward Committee in every ward, irrespective of the size of the Ward or the Municipality. While the first two are well-known, it is the Area Sabha that is being newly introduced. The footprint of every polling station could be the smallest unit in such an architecture; this could be called an Area Sabha. Each of these is a legitimate, formal space,

which will be defined in terms of constitution, composition, functions, duties and responsibilities.

**Participants:**

Every registered voter of a polling booth (boundaries of the polling booth will be defined by the Election Commission) shall be a member of that Area Sabha. This creates an urban equivalent of the Grama Sabha, retains a reasonable level of intimacy, and recognises the unique features of urban dwellings.

At the next level of the Ward Committee, the current practice of nomination to the Ward Committee can be replaced by a nomination of an Area Sabha Representative from the Area Sabha. The benefit of this structure is that it automatically adjusts for the size of a municipality or ward, rather than have a prescribed single size being defined for a Ward Committee. Large municipalities would have wards with greater population, more polling booths, and hence more Area Sabhas, resulting in larger Ward Committees.

Smaller municipalities would have smaller population in each ward, hence fewer Area Sabhas and fewer members in each Ward Committee.

The elected Councillor of the Ward shall be the Chairman of the Ward Committee, and continue to represent the Ward in the Municipal Council.

**Role of informal structures:** The presence of a formal structure of decentralisation to the citizen will create the appropriate participatory and accountability mechanism for the citizen. However, this does not mean that informal community structures like local resident associations, neighbourhood groups and ward-level federations will become less important. If anything, these structures can now become

more effective beyond their social role, by linking their public issues at the grassroots into the appropriate platform, either the Area Sabha or the Ward Committee. The lessons from rural decentralisation indicate that while informal structures are important, parallel power structures should not be created.

Janaagraha has prepared a draft “NAGARA RAJ BILL”, embedding the above structure into a legal document, with details like the constitution, composition, functions, roles and responsibilities of the Area Sabhas and Ward Committees. This document has emerged out of the examination of the platform that was provided with the 74th Amendment, the good work already done by some selected states like West Bengal and Kerala, and also the grassroot experiences from a citizen standpoint. The drafting has been done in a manner that would allow the Bill to be passed separately, or included as an Amendment to the Municipalities Acts of States as a chapter exclusively dealing with Institutionalising Citizen Participation in Urban Governance. Some sections of this Act could require other parts of a state’s Municipality Act to be modified, such as the budgeting process mentioned above.

The structure above solves many problems of urban governance described in the earlier sections of this document, as detailed below:

1. It will give formal voice to every voter to participate in issues of local governance, removing the lopsided treatment of the rural and urban voter that has prevailed since the 73rd and 74th Constitutional Amendments were passed.
2. This 3-tiered municipal governance structure will also create accountability of the municipality directly to the citizen herself. Issues of transparency, decision-making,

and so on can be addressed at the level of the Area Sabha, rather than creating complex processes of reporting to State Government bureaucracies.

3. These platforms will also expose citizens to the need to participate, rather than stand on the sidelines and complain. While participation cannot be expected to be widespread, this process of political engagement will bring citizens closer to government, and seek solutions to public issues from our public institutions rather than outside them. In some sense therefore, Area Sabhas are as much about government accountability to citizens as they are about citizens' accountability to themselves.
4. The creation of local engagement allows for localised solutions to emerge, as well as a flexibility and dynamism that are healthy attributes for any institution.
5. Other institutions could also use these platforms to integrate into their requirements: even a small handful of Area Sabha members can verify membership rolls to the voter lists, and maintain the accuracy of the voter lists. The Election Commission, in turn, could formally use the Area Sabha to update the voter lists. Similarly, departments of government that require BPL lists could have these verified at the level of the Area Sabha, much like the Grama Sabha experiences in rural India. The Police department could use the Area Sabhas for community policing initiatives. Disaster management situations will have a readymade, widespread grassroots platform for information dissemination and coordinated action.
6. Given the nature of the Area Sabha, its composition will be heterogeneous, cutting across caste, community and

economic lines. Engagement at the Area Sabha could therefore have significant social implications, in generating social capital in ways that are otherwise unlikely to occur.

7. A few important findings with respect to Grama Sabha functioning warrant some discussion here, in light of the potential implications for Area Sabha functioning:
  - a. Literacy levels and Grama Sabhas: the positive correlation between literacy levels and grama sabha functioning holds positive implications for Area Sabha, given that urban literacy levels are higher than rural.
  - b. The evidence suggests that Grama Sabha meetings “seem to be a forum used by some of the most disadvantaged groups in the village - landless, illiterates and scheduled castes/tribes. This suggests that these groups find the Gram Sabha useful and that Gram Sabha meetings may play some role in moving policy in a direction favoured by these groups.” The same could be true of urban Area Sabhas as well, possibly solving an issue of elite capture in urban planning and public expenditure.
  - c. The study finds correlation between levels of awareness of the Grama Sabha, and levels of participation. A case can be made that given the density of urban settlements, and more powerful tools of communication, coupled with higher literacy rates, the likelihood of greater awareness of Area Sabhas could also be greater, thus leading to potentially greater participation. This higher awareness also has another possible effect: how it

changes the mental attitude, from emasculation to empowerment. Irrespective of whether a voter participates or not, she now has the knowledge of the opportunity to participate. This needs to be measured as well, in terms of what voters begin to feel about “empowered”, irrespective of their actual participation.

- d. The Grama Sabha findings also observed that participation from women is lower in rural areas. here again, Area Sabhas could be more powerful as a forum for women, given higher levels of literacy and emancipation of women in urban areas.
8. If anything, the hypothesis could be that not only will the sabha concept work well in urban areas, and generate socially equitable outcomes, but that these could also be a more significant presence in local governance issues than rural areas, and possibly more successfully address universal participation issues across caste, economy and gender.

The proposed benefits of citizen participation in urban areas are in the realm of hypotheses. These need to be urgently tested, not only for their own reasons, but also the positive and normative impact they can have on rural decentralisation, and the cross-fertilisation of successful practices and learnings. Such common platforms across rural and urban centres could also create mechanisms for rural and urban citizens to reach out to each other directly, rather than only through removed political processes. This has major significance in peri-urban areas, and the fringes of urban growth, where deep schisms are being created everyday due to the damaging consequences of jurisdictional schizophrenia.

## **Conclusion**

India stands at the inflection point of two critical trends: the increasing importance of local governments, and a critical mass of urbanisation. Both these have significant implications for governance outcomes on a range of important quality-of-life issues for citizens.

Citizen participation is not just a moral argument: it is a strong accountability mechanism. While rural participation is imbedded in the Constitution, citizen involvement in urban areas is still very indirect. This needs to be urgently corrected. This paper describes the context of urban decentralisation, the need for citizen participation, and also offers a solution that can be imbedded into law at the State and Municipality levels, without having to change the Constitution. Beyond the moral arguments, there are credible reasons to believe that substantial benefits can accrue by creating institutional mechanisms for citizen participation in urban areas.

## 9. Case Study: Kozhikode, Kerala

*By Mrs. G. Sasikala*

In the words of Surendranath Banerjee, a pioneer in the 1921 movement for local self-government in India, “the divine gift of self-governance has in it the seeds of its own preservation and self-correction”.(Lok Satta Report)

“Sustainability in urban development, subsidiarity of authority and resources, equity of access to decision making processes, efficiency in delivery of public services, transparency and accountability of decision makers, civic engagement and citizenship and security of individuals and their living environment”(Jain A.K.)- that’s participatory people’s government at grass root level, I presume!

### **A New Policy Instrument**

The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment Acts represent a bold initiative taken by the government of India to accord a constitutional status to local governments in India, both rural and urban. It aimed at institutionalizing the Panchayati-Raj institutions in rural governance and urban local bodies in municipal governance.

Although democracy was deeply ingrained from Gandhiji’s ideas of Panchayati Raj, the CAA tried to cure the anomalies in the lowest tiers of democratic governance, like failure to hold regular elections, prolonged super-sessions, non-existence of reservations for backward classes, scheduled castes and scheduled tribes, inadequate representation of women, and inadequate devolution of powers and functions. This has been

clearly stated in the Statement of Objects and Reasons in the CAA.

The state governments passed conformity legislations and institutionalized the Urban Local Bodies (ULBs). Article 243W read with the Twelfth Schedule of the Constitution laid down 18 items, for devolution of functions to local bodies by the states.

It was decided that ‘the process of devolution must be based on the principle of subsidiarity , i.e. what can be done at the local level should be done at that level only and those that cannot be done at that level should be passed on to the higher level’ (Lok Satta Report).

Kerala, already on the path to democratic devolution, took the cue and enacted the Kerala Panchayati Raj Municipal Act in 1994 and passed 35 amendments devolving powers on all 18 items enlisted in the XIIth Schedule. The ULBs were given full administrative control including powers of disciplinary action against its own staff as well as those transferred to it. Kerala is ranked 1<sup>st</sup> among states in the Human Development Index ( 2001- Planning Commission report).

### **Wards and Ward Committees**

To reinforce political decentralization, the 74<sup>th</sup> CAA made it mandatory for a 2-tier or 3-tier ULBs to be institutionalized at the grass root level. The municipal areas, for purposes of spatial decentralization, were divided into territorial constituencies called Wards. The municipal (ward) area was determined according to population of the area, density of population, revenue generated for local administration, percentage of employment in non-agricultural activities, as well as economic and other considerations.

In municipalities where the population is less than 1 lakh, ward sabhas are formed in each ward. The ward sabhas have the power to discuss budget, audit report, plan documents and estimate of public works.

Three types of municipalities were formed in the Indian states:

1. Nagar Panchayats for areas in transition from a rural area to an urban area
2. Municipal Councils for smaller urban areas
3. Municipal Corporations for larger urban areas

Under the auspices of the State Finance Commission, 101 Municipal Corporations, 1430 Municipal Councils and 2009 Nagar Panchayats were elected twice in nine of the states.

Formation of ward committees was made mandatory for municipalities having a population of 300,000 or more. The ward committee, headed by a ward councillor (paid a honorarium of Rs.1500 per month), who is the elected representative of the people in the ward, has 50 members (from all walks of life), nominated by the Municipal Chairperson. Women from NHGs get representation at the Ward Committees. The Ward Committee meets at least once in three months. The municipal councillor, who is an elected member gives the statement regarding properties owned by them to the Election Commission, before the election process.

### **Functions of Ward Committees**

The Committee will prepare and supervise the development schemes for the ward, encourage harmony and unity among various groups, mobilize voluntary labour for social welfare programs and give assistance for identifying beneficiaries for the implementation of welfare and development schemes related to the Ward.

The Ward Committee may also discharge the functions like provision of supply pipes, sewerage, drainage connections to premises, removal of accumulated water on streets or public places due to rain, building of roads, street lighting etc. This is besides, assisting in timely collection of taxes, fees and rents. The duration of the Wards Committee shall be for five years. However, such municipal committees can be dissolved on incompetence, gross neglect of functions, abuse of power or financial credit-worthlessness.

While many states formed committees for groups of wards, Kerala has a ward committee and a councillor for each ward. Urban areas in Kerala, for purposes of local governance was divided into 53 Municipalities and 5 corporations. At present, a recommendation has been made before the Standing committee for delimitation of 5 more municipalities and it is to be passed before the 2005 election of ward councillors. Delimitation has not yet been completed.

### **The Municipal Councils**

Kozhikode Corporation is constituted of seven Standing Committees and there is one Permanent Committee for finance. At least one meeting of the council is to be held every month. It is a statutory provision. But the councils can meet any number of time during a month for official purposes. For decentralizing the administrative responsibility, the number of members in the Standing Committees has been fixed as eight. Deputy Mayor is the Chairman of the Permanent Committee and one member in each Standing Committee becomes the Chairperson of the respective Standing Committee. All the 51 councillors are the members of one or more of these committees.

The various committees are-

1. Town Planning Standing Committee

- 2 Works Standing Committee
- 3 Health & Education Standing committee
- 4 Social Welfare Standing committee
- 5 Development Standing Committee
- 6 Tax-Appeal Standing Committee
- 7 Finance Permanent Committee

Constitution of District Planning Committee (Article 243ZD of the Constitution) for districts has been another breakthrough in decentralization. The committee drafts development plans for their respective areas. People's representatives are also members of the committee and the plans envisaged give due regard to matters of common interest between urban and rural areas, while the need for sharing water and other natural resources is also emphasized.

Although due regard has to be given for regional and local priorities, it is mandatory that the local governments be made responsible for preparation and implementation of plans for economic development and social justice with emphasis on development plans, integration of urban and rural plans, and special attention given to poverty alleviation and urban environment management.

This substantiates the view that the most important rationale of local governance is the provision of certain services of standard quality at the local level. No citizen should suffer because of her choice of location of residence.

Thus a system of bottom-up planning has been institutionalized in Kerala.

## **Administration**

In 1992, Department of Local Bodies in Kerala was bifurcated into Department of Municipal Administration (now Department of Urban Affairs) and Department of Panchayats. The Director of Urban affairs is the controlling and supervising Officer of the Municipal Corporation by virtue of the powers delegated to him by Government.

As provided by Section 30(3) of the Kerala Municipality Act, staff attached to different departments (like agriculture, health etc.) and institutions (like social welfare etc.) that has been transferred to the ULBs, still draw their salaries from the department/institution to which they belong. It is stipulated that Annual Administrative reports should be published.

The department has already adopted Malayalam as its medium of correspondence with the ULBs, government, and the general public. Use of English has been reduced to the minimum. Now about 95% of the correspondence is in Malayalam.

The centrally sponsored schemes like IDSMT(Integrated Development of Small and Medium Towns), modernization of slaughter houses, SJSRYS(The Swarna Jayanti Shahari Rozgar Yojana) and NSDP(National Slum Development Program) are implemented through the department of municipal administration for selected wards.

Adequate provisions are also made for empowerment of the people's representatives for managing the civic affairs and limiting the interventions by the state governments to a minimum level possible.

## **Finances**

The best way to monitor the graft of elected and non-elected officials is to devolve decision-making and funds to the lowest levels of elected government, the village councils or panchayats.

The State Finance Commission was constituted to review the financial position of the local government (both panchayats and municipalities) and to make recommendations as to the principles to govern:

1. Distribution of tax and other revenues collected by the state,
2. Those which are to be collected by the municipalities themselves,
3. The grant-in-aid to the municipalities from the consolidated fund of the state.

This was to ensure fiscal federalism to the local bodies.

Looking at the revenue structure, the local bodies depend upon three local sources and two external sources for their financial requirements:

- Locally raised taxes
- User charges
- Other non-tax revenues
- Borrowings
- Transfers from higher levels of government including shared taxes and grants-in-aid

In Kerala, for all practical purposes, the devolution of financial powers could be stated to have commenced in 1987-1991, when the then LDF government decided to award municipal

wards small amounts to fund projects, without following cumbersome state budgeting procedures. In the 8<sup>th</sup> Five Year Plan of 1991-1996, an 'untied' fund of 2.35% of the plan fund was allocated to the local governments. They could spend it as they chose.

Then ruled by the LDF, Kerala introduced special budget document for local government allocations and earmarked 35% of plan resources to local government in 1996. The People's Planning Campaign (PPC) was also launched with great alacrity all over Kerala. (Thomas Issac 1997)

The ninth plan fund allocations:

- Provide the highest plan funds
- 90% of funds in untied form (10% for productive sectors, 50% for roads, 10% for gender sensitive schemes.
- Entire plan grant is 'pure money' and is investible.
- All plan grants due to ULBs are separately budgeted in a separate document given as Annexure IV of the state budget. Since it is passed by legislature, it is non-divertible for other purposes by the executive.
- Every single rupee devolved to local governments, whether un-der Plan or other categories, is given as per a transparent formula and there is no room for patronage or partisanship in allocation of resources to local governments.
- Funds will flow in four instalments and the local government will have to spend 75% of its allocation, failing which the shortfall will be reduced from the next year's allotment.
- During the plan period 30.5% of the size of the plan has been devolved to local governments in an untied form.

In the last two years of the 9<sup>th</sup> Plan, the State Plan size was reduced by 25% and the local governments were given only three-fourth of their share in the 9<sup>th</sup> Plan. 'Insofar as decentralization enhances political and fiscal autonomy of territorial sub-units, it is by definition likely to exacerbate uneven development between richer and poor areas unless balanced by central equalization funds and/or project' (Crook 2003). But government guidelines laid down that 'as the process of decentralized planning at the local level is reduced, the allotment of fund to plan formulation and related expenditure have been curtailed.(Government of Kerala 2001). However, there is a lack of relevant data.

### **Statutory Obligations of Urban Local Bodies**

Health, sanitation and vital statistics are the most important statutory obligations of the urban local bodies. Under the statute not less than 30% of the annual revenue of each urban local body was earmarked for public health activities. Sweeping of roads, collection, removal and disposal of rubbish, removal of noxious vegetation, the adoption of preventive measures against the spread of communicable diseases, the cleaning and watering of drains, prevention of adulteration of food stuffs, medical and health care of expectant mothers and children through maternity and child welfare centers are a few among the wide range of health activities of the ULBs.

Health Officers have to conduct overall supervision of the health work and the work of the Health Supervisor, Health Inspectors and the Junior Health Inspectors of the concerned local body. They conduct field visits every day.

### **Vital Statistics**

Registration and issue of certificates of births and deaths within the town limit is a statutory function of the urban local

bodies. The Health Inspectors of the municipalities are designated as the Registrar of Births and Deaths also.

### **Local Fund Audit**

Performance cum Corrective Audit, Local Fund Audit, Accountant General's Audit and People's Audit are the four sets of Audit of local funds introduced during the 9<sup>th</sup> Plan period. However, there is no sufficient data base for the revenue/expenditure related to the ULBs.

### **Right to Information**

With the Right to Information Act (on all matters relating to local governance), in place, the local governments have become accountable. Under the 'Modernizing Government Program', an attempt is also being made to evaluate the affordable standards of public service to the poor and marginalized.

### **Judicial**

Aiming at maximum autonomy to the local self-governments, as per GO(P) No. 154/2000/LSGD dated 29.05.2000 (amended later), the Kerala state government has constituted the authority of Ombudsman for local self-government institutions to go into the complaints of the civic society against the local bodies and also disputes between the State Government and the local self-governments. He can check malfeasance in local self governments in the discharge of developmental functions. The government cannot cancel any resolution without ascertaining the opinion of the Ombudsman or Appellate Tribunal for the Local Self-Government.

## **Report on the Study Conducted on Two Wards in Kozhikode**

### **Ward No. 48**

– No.of households: 1599

- Total population (including institutional and household population): 10,257 (male: 4925, female: 5332)
- Ward Councillor: Mr. N. C. Ahamed (LDF candidate)  
- Member of the Finance Committee
- Ward Sabha Committee: Councillor is the Chairman of the Ward Committee. It consists of 35 other members: 12 women representing the NHGs in the ward, trade union members and party representatives
- Percentage of people BPL: 65%-70%
- Minimum education: tenth standard - SSLC
- No. of houses near the beach (on the other side of the road): 175
- No. of NHGs in the ward: 20
- No. of slums in the ward: 5

**Work done during his councillorship (as explained by the councillor) considered item-wise as under the XII Schedule):**

**Item 4 – Roads and Bridges**

Table 1 gives the work done in the ward by the Corporation (supervised by the ward councillor) as per the recommendation of the Town Planning Committee and the Works Committee after considering the cost of implementation of the works.

The construction of roads and the closed drainage inside the ward has created better living conditions for the people in the ward. In fact the infrastructure in the ward has undergone a massive development.

**Item 5- Drinking Water Scheme**

People were suffering from lack of availability of drinking water. Hence the ward sabha/committee decided, planned and prepared an estimate for laying down 12 water taps on the side

**Table 1: Ward No. 6  
Road Tarring , Foot Path & Drainage Work – 2001-2005**

S No:	Type of works	Length by Width	<i>Expenditure on works</i>			
			Estimate of work undertaken	Amt spent by Corporation	Amt spent from other sources	Portion of un- finished work
<b>I Road Tarring</b>						
1	Kalathilthazham road to sanatha road-soling, metalling and tarring	450* 3	268000		268000 (M.P. Fund)	
2	Kunnummalthazha mkizhakkethodi road	200* 2.5	150000		148000 (Plan Fund)	
3	Mannayathil road	200	150000		108682	
4	Kakkuzhi road	245* 2.70	150000		150000	
5	Cheroolipoyil road	325	275000	254000		
6	Balance portion of kalathilthazham road	95* 3.00	95000	98000		
7	Naduveelattu road	594* 3.00	385000		130000	Multi- Year
8	Kalathilthazham approach road	200* 3.00	350000			Project on

(Table 1 contd)

S No:	Type of works	Length by Width	<b>Expenditure on works</b>		Portion of un- finished work
			Estimate of work undertaken	Amt spent by Corporation	
<b>II Footpath</b>					
1	Palakkathodu Footpath	206	115000	115000	
2	Chelattumal Footpath		37000	45000	
3	Kakktuvayal lane		52000	51000	
4	Kalathilthazham Footpath	62	80000	84000	
5	Vallilthazham Footpath	65	230000	214000	
6	Keepallithazham Footpath		85000	91000	
7	Ammannurthazham Footpath		70000	62200	
8	Kunduparamba school side	300	365000		350000
<b>III Drainage</b>					
1	Palakkathodu drain cum Footpath		650000		650000

of roads, thus enabling the households living on both sides of the road to utilize the corporation water supply for household and other purposes. Water comes from the Poolakkadavu water supply unit of the water authority. Since the ward includes two burial grounds, the ground water cannot be used for drinking purposes, although tube wells have been laid. Kerala Water Authority has helped in the work.

### **Item 2- Land Use and Construction of Buildings**

The ward councillor informed that 70% of families in ward no. 48 are below poverty line (BPL). Many families were fisher-folk, who had to depend upon daily catch of fish for their subsistence. Many houses were constructed for BPL families with the councillor's help and money provided under the Plan fund or the corporation fund. The councillor visited them and after enquiries, helped them to apply for the building funds. The amount ranging from Rs.35,000-40,000 was given as a non-refundable loan and the plans were presented before the District Planning Committee. The housing constructions were undertaken after the plan was placed before the Municipal committees. However, a few, I could gather, couldn't be helped out because of the stipulation that the person applying for the loan for house construction should own at least a 0.02 acre plot. Many BPL families couldn't produce the ownership documents and hence couldn't be brought under the scheme. Further, the ward consisted of families who had migrated (some 25-50 years back) from Tamil Nadu or Karnataka. A few of them couldn't submit the certificate proving that they were Scheduled Caste or Scheduled Tribe. Only the Scheduled Caste and Scheduled tribe families could apply for the specific loan.

Repair of a number of houses was undertaken. Rs.7500 was distributed as subsidy for repairing their houses. The

beneficiaries were selected after discussions of the local people's problems in the ward sabha.

### **Item 6- Public Health and Sanitation**

Construction of latrines was another work undertaken by the ward. Most of the BPL families who didn't have a latrine, were given an amount of Rs.2000, as non-repayable loan towards the construction of the same and the corporation took up the construction. A community health centre was working for the benefit of the people. The District Hospital, being a speciality hospital could be accessed by the families in the ward.

### **Education**

A function devolved under Section 30 of the Municipalities Act- Maintenance of the Lower Primary school in the ward, was undertaken and necessary funds were provided by the corporation from the fund devolved to the ward. The school buildings as well as the boundary walls have been repaired and the school is being run with the provision of 'free lunch' for children. Almost all children below the age of seven are attending the classes. It is also commendable that 75% of the children study till they reach tenth standard. Talking to the head of the school, I learnt that that many boys drop out from the 7<sup>th</sup> standard in the school either to start earning by selling fish or going to the sea, while girls study till SSLC, a few even graduating. Many social problems arise because the educated girls are forced to marry the boys who fail to attain high school education.

### **Item 14 - Burial Grounds**

A new type of funeral pyre, 22 meters high (in concrete), has been constructed in the ward so that the polluted gases from the funeral pyre do not contaminate the air and create suffocation in the area. The pyre is being used by all communities which burn their dead.

Slum development was undertaken using the funds provided by HUDCO and central government. Rs.22,000 was given to 75 people as first installment for the purpose of building houses.

### **Item 17- Public Amenities**

Electrification work has been done and street lights have been provided in the ward. Four types of works are undertaken under this particular scheme- fixing tubes where there are bulbs, providing electricity posts near houses to provide lights on the roads, allowing houses to draw electricity connections and fixing CFLs. The Kerala State Electricity Board helped in the implementation of the work.

### **Kudumbasree**

There are two Area (Community) Development Societies in Ward 48. The Advisory Committee headed by the ward councillor gives advice on the projects proposed by the NHGs (Neighbourhood Groups). Kudumbasree Program is aimed to organize women at the local level with the goal of eliminating absolute poverty in the state by 2007 (Isaac and Franke 2000). Kudumbasree means 'prosperity of the family' and the mission of the program is to reach families through women, and to reach communities through families. Kudumbasree has a three-tiered hierarchical system of organisation. At the lowest level are the neighbourhood groups (NHG), equivalent to the Self Help Group (SHG). These groups are then federated at the ward level into Area Development Societies (ADS). The highest level is the Community Development Society (CDS). The CDS is presided over by an elected member of the ADS, Kudumbasree has a project officer ( a corporation officer appointed by the government). NHGs are headed by RCV-resident community volunteer.

ADS is a committee formed of nine members, each from separate NHGs. The members of the NHG save Rs.10 (or more) every week. The money is kept in a local bank and after 4 weeks' regular deposit, the members are granted non-refundable loans.

The ward 48 includes Kamburam, Konad, Thoppayil, Konad beach, Thoppayil beach, Kathikkan Thopu, Aaviyil, Cherode and Kaithakkuni vayal.

### **Finances for the Work in the Ward**

Amount received form the government	– Rs. 3,00,000
Slum improvement (2004-2005)	– Rs. 4,00,000
Corporation Ward Fund	– Rs. 5,00,000

### **Ward No. 6**

- No. of households: 1524
- Total population (including institutional & household people): 7329 (male: 3527, female: 3802)
- Geographic Terrain: Hilly
- Ward Councillor : Ms.Rathi Devi (LDF candidate) - Town Planning Committee Member
- Ward Sabha Committee: Chairman –Ms.Rathi Devi

The Ward Committee has 57 members. There are representatives of all political parties, trade unions, RCVs of NHGs, 16 women representatives of NHGs.

**Work done during her councillorship (as explained by the councillor) considered item-wise as under the XII Schedule):**

**Item No. 4 - Roads and Bridges**

Table 2 gives the work undertaken and done by the corporation on the recommendation of the Town Planning Committee and the Works Committee. The BPL families(at least 60% of them) have better quality of life.

**Education**

It is a function devolved from Section 30 (Municipalities Act). Aquisition of a U.P.School from was completed and building construction has started. This has been done with a view to provide basic educational facilities for the children coming from extremely poor families(BPL). Free food is being provided for the children.

**Item No.6 - Public Health**

Under the R.C.H. project, a dispensary was constructed near the Kunduparambu Palam. Although the building has been constructed, and the doctor was appointed by the previous government, it has remained closed and delivery of health services to the beneficiaries has become a problem. Nine centers and 44 sub-centers were constructed and opened in the ward, for care and improvement of health of the local people. All these are closed due to administrative problems. The state government should appoint the doctor and also provide the necessary funding for the essential medicines

An Ayurveda Hospital was opened in Karuvisseri as well as on the Link road. A Homeo hospital is also functioning at Payyannakkal. These dispensaries are running well and the required funds for maintenance and free medicines are being provided from the central government.

**Item No.5 - Water Supply**

With a view to providing clean drinking water to the local people, five common taps were laid. This also helped the laying of thousands of taps for households purposes. The

**Table 2: Ward No.48**  
**Road Tarring & Foot Path – 2001-2005**

<i>S</i> No:	<i>Type of works</i>	<i>Expenditure on works</i>			
		<i>Estimate of work undertaken</i>	<i>Amount spent by corporation</i>	<i>Amount spent from other sources</i>	<i>Portion of un- finished work</i>
<b><i>I Road Tarring</i></b>					
1	The remaining portion of Kamburam Ricemill Road		125000		
2	Southwards from B.G.Road to Panikasalathodi Road		63500		
<b><i>II Footpath</i></b>					
1	Kambuvalappil at thoppayil			260000	
2	Konat beach in front of kerala fisheries office	105000		99180	
3	Cherod byway-Thinatthi field	100000		93810	
4	Thoppayil footpath & drain	300000		261780	
5	Thoppayil	20000		16875	
6	Thieppayamthoduparamba footpath from western side of B.G.Road		100000		
7	Improvement to Ricemill – kathikanthoppa line		63000		

(Table 2 contd)

<b>Expenditure on works</b>					
<i>S</i>	<i>Type of works</i>	<i>Estimate</i>	<i>Amount spent</i>	<i>Amount</i>	<i>Portion</i>
<i>No:</i>		<i>of</i>	<i>by corporation</i>	<i>spent</i>	<i>of un-</i>
		<i>work</i>		<i>from</i>	<i>finished</i>
		<i>undertaken</i>		<i>other</i>	<i>work</i>
				<i>sources</i>	
8	Balance portion Cherote road	80000			
9	The road joining B.G.Road and Kamburam rice mill Road	75700			
10	West Hill slum		156400		
11	Ganapathy nilamparamba	304810			
12	Kothadu thiyuni parambu	216650			
13	Thoppayil slum		133410		
14	Eastern portion of Puthiyappathazhathu shop- Thie kkutam parambu	517260			
15	Beach Road infront of fisheries	171770			
16	Cherote field	80000			
17	Eastwards from B.G.Road to Thuppilthodiparambu	100000			

money for the work was provided from the plan fund and the work was implemented by Kerala Water Authority.

### **Item No.17- Public Amenities**

For providing electricity on the public roads inside the ward, many Electrical posts have been put up and both CFL as well as fluorescent tubes have been provided. This has been done with the help of the Kerala State Electricity Board.

### **Item No.2- House Construction**

For construction of houses (for people without concrete houses to live in), Rs. 35,000 is granted as non-refundable subsidy. This provision is given for 5 people (houses) in each ward. Further, people having at least 0.02 acres of plot in their possession are being granted Rs.40,000 for house construction.

### **Slum Development**

The slum area in Kalathilthazham comes under the ward. A lot of work has been undertaken for the development of people living in the area.

### **Kudumbasree**

Women in the ward have formed more than six NHGs. Ten women of one NHG have started a retail shop with a loan of Rs.1 lakh, out of which Rs.75,000 has been given as subsidy, and the remaining amount is repaid by the women from the earnings of the entrepreneurial venture. The women in the ward are encouraged to get the benefit of micro-credit and with this view, training in various productive enterprises is being given to women. This is implemented under the Kudumbasree scheme. Further, the continuous education program implemented by the state is being conducted with renewed vigour, exams are being conducted and certificates are distributed. Literacy program is also implemented for old people.

Anganavadi Centre (No:30) has been constructed and children from the age of 3-5 are looked after there. Free food is also provided.

### **Solid Waste Management**

Twenty ladies from the ward, all being members of Kudumbasree, have taken up the work of collecting waste. This helps the waste disposal project. Every household in the corporation where the women collect waste has to give Rs.30 for this service rendered.

### **Item No.6 - Public Health and Sanitation**

Houses which did not have latrines were given a grant of Rs.2000 (non-refundable) toward construction of sanitary latrines. This helped solve the sanitary problems in thousands of houses.

A big water tank is planned on the hill of Naduvilattu for pumping water from the Malikkadavu river for public distribution. The intended work has an estimated cost of Rs.15,00,000 and the government has stipulated that for such work to be done, 10% of the cost has to be remitted by the beneficiary section. For lack of funds this work couldn't be implemented.

An innovative scheme for marketing housing credit for the urban poor -distributing cash loan to the individual beneficiary for construction of houses with beneficiary family participation has been initiated as a special program by the Govt. of Kerala during the 50<sup>th</sup> anniversary of India's Independence. This novel scheme is a self help program by the beneficiary households, organised as Community Development Societies (CDS) in all the 58 Municipalities and Corporations of Kerala with a special arrangement for savings of the order of 15% of house cost in

HUDCO's Public Deposit Scheme, which has a growth in addition to acting as a cash security.

The presence of mosques and temples side by side in both the wards bear testimony to the peaceful and harmonious co-existence of the local people.

The ward councillors from the time they were elected in 2000, tried to increase the attendance of local people at the wards sabhas through many ways:

- Needs of the local people were identified
- The projects to be undertaken was discussed with the task force
- The finalised plans were submitted to the DPC, who in consultation with the technical Advisory Committees finalised the plans, subject to the availability of resources and sectoral limits.
- Efforts were made to reduce the wastage by curtailing transfers from local governments to co-operatives and charitable societies, removing subsidies for families above BPL, and also limiting administrative expenses in plan preparation.
- Immunization programs have been implemented in the wards to protect the children and pregnant mothers with the cooperation of health department, social welfare organisations, voluntary organisations and private hospitals.
- The funds allocated for the years were fully utilised; there was shortfall during the last two years of the 9<sup>th</sup> Plan; the projects that couldn't be completed has to be continued in the next year.

## **The Ground Reality**

Both the councillors pointed out that —

- Awareness among the local people should be increased. The involvement of the local people in decision making processes has been on the decline. The people are not fully aware of the benefit programs.
- More women need to be encouraged to engage in productive self-employment
- The co-operative efforts and their effects on improving livelihoods need to be encouraged.
- In the last two years the funds flowing to the municipalities have been reduced and this is a problem which should never occur. Due to lack of funds, planned work and maintenance work on projects has come to a stand still.
- BPL families in both the wards were finding it difficult to obtain loans for house construction, because ownership of plot of 0.02 acres is a prerequisite for obtaining the loan. The loan provision could be changed to include one for purchase of land too.
- Participation of institutions like CWRDM should be encouraged for reaching out to alternative water sources.

## **People's Mandate**

People, in one voice narrated their problems at each one of my visits. Some of their problems were:

- Method of identification of beneficiary group/ individual is not yet foolproof. People need to be informed about the specific individual benefit plans (for eg. Old Age Pension Plan)

- The loans fail to reach the hands of the beneficiaries even months after they are passed.
- There are no doctors in the health centres
- A party worker said, “The local fund should not be reduced on any account, as this is injustice to people.”
- A teacher commented, “More children should be encouraged to join the school. Besides, the children coming from seaside were sure to drop out of school before they reach VII Std. This should be prevented.”

### **Conclusion - Points to Consider**

1. Building a reliable data base on Public Finance of local bodies.
2. Greater participation of people’s organisations

It is good to note that Kerala has succeeded in Public finance restructuring, attempting ‘real functional mapping and role clarity between the state government on the one hand and the various tiers of sub-state level governments on the other’. But even Kerala lacks a reliable database on revenue and expenditure for each tier of rural and urban local bodies. ‘Reserve Bank of India (RBI) brings out a special issue on state budgets every year. A similar issue on local bodies is a desirable goal which the RBI may consider in the future’. (M. A. Oommen 2005).

“It may be stated here that in countries where local bodies exist, they are given powers of delegated legislation, e g, budgets, by-laws and regulations. They also enjoy considerable powers of regulation attached to their functional responsibilities. India is, therefore, definitely moving from administrative federalism to multi-level federalism”.

“People’s organisations which have a powerful base, committed workers, relevant programmes, a scientific outlook and focus on action, play a creative role in enhancing the capability of local self-government institutions. Both in ideas and action these institutions can give a lead and also extend support to local bodies. The role played by the Kerala Sastra Sahitya Parishad(KSSP) in charting a new course for panchayats through the people’s campaign for the planning process is a case in point”.

### **Research Methodology**

Data and information related to the study was obtained through discussions with the Ward councillors as well as the authorities in the concerned department offices in Kozhikode. Two wards were selected for the study,

- 1) Ward no.48 is situated near the sea and most of it occupied by fishermen
- 2) Ward no.6 was undertaken to analyse the role of NHGs and women’s participation in productive activities. The data collected has been presented in the report. A deeper analysis couldn’t be attempted due to limitation of time and lack of supplementary data; the employees of the ULBs were busy with election work.

Further, open-ended questions to the ward councillors and the local people increased my knowledge on the ground realities.

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# 10. Case Study: Ambikapur, Chhattisgarh

*By Ms. Shuchi Seth*

## 1. Background

The local Government in India is generally known as Local Self Government (LSG). This term gained momentum during the British period when the people were not associated with the administration at the Central or State levels. However, after independence people's participation in the administration at the local level came to be designated as Local Government, which literally means management of local affairs, by the people of locality. The Local Government in India is generally known as Local Self Government. It is based on the principle that the people of locality can look local problems and needs better than by the Central or State Governments. Local Government may be said to involve the conception of territorial, non-sovereign community possessing the legal right and necessary organization to regulate its own affairs. This in turn presupposes the existence of a local authority with power to act independently of external control as well as the participation of the local community in the administration of its own affairs.

### 1.1 The 74<sup>th</sup> Constitution Amendment Act (CAA)

Here at this juncture the understanding of nuances of the 74<sup>th</sup> Amendment is needed, which is mentioned in the following description. It took more than two centuries when the Government of India Act, 1919 gave Local Self Government a definite shape and recognized it as a grassroots Government after Central and Provincial Governments in country 74<sup>th</sup> CAA that was brought in 1992, reinforced this system through out

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the nation in a more constructive manner. Undivided Madhya Pradesh Government adopted the 74<sup>th</sup> CAA with minor modifications and implemented the Act in the State in 1994. The Constitution (74th Amendment) Act has set up a new trend in the process of decentralization and urban governance in India. With the enactment of the 74<sup>th</sup> Amendment of the Constitution, urban local bodies in the country have acquired a statutory status. Municipalities have now become the principal representative platforms for urban population in the country. They now have a right to live: the specter of supercession that loomed large for 5 decades since independence has been removed. The 74<sup>th</sup> CAA, 1992 came into force on 1 June 1993. All the State Governments passed the conformity legislation and brought into force within the constitutionally stipulated deadline of 1 June, 1994.

After the 74<sup>th</sup> Amendment there has been effort to understand the key stakeholders in urban governance and more specifically the poor communities in the changed institutional and administrative framework. The Urban Finance Management play key role for healthy urban governance. Almost all municipal bodies in the country are in deplorable financial condition. The municipality on one hand generally face resource crunch while on the other hand lot of resources go untapped. The functions according to the twelfth schedule are mentioned in the following box.

Samarthan<sup>1</sup> is a support organization and is working for the upliftment of governance issues and putting its efforts to

<sup>1</sup>Samarthan-Centre for Development Support is a support organization, which is working in Chhattisgarh and Madhya Pradesh since 1995, with a number of voluntary groups and development agencies, both Government and Non Government, on various development issues. The main objective of Samarthan is to support voluntary efforts and participatory processes and to strengthen the capacities of civil society institutions in the areas of program management and organizational development. Samarthan, believes in people centered development and therefore works towards strengthening people's institutions and promoting civil society Initiatives. Samarthan also believes that dissemination of knowledge is essential for the empowerment of people and social change organizations.

**Box 1: Functions According to the Twelfth Schedule**

- Urban Planning including town planning.
- Regulation of land use and construction of buildings.
- Planning for economic and social development.
- Construction and maintenance of roads and bridges.
- Water supply for domestic, industrial and commercial purposes.
- Up-keeping public health, sanitation conservancy and solid waste management.
- Maintain fire services.
- Urban forestry, protection of environment and promotion of ecological aspects.
- Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded
- Slum improvement and up gradation.
- Urban poverty alleviation.
- Provision of urban amenities and facilities such as parks, gardens, playgrounds
- Promotion of cultural, educational and aesthetic aspects.
- Burials and burial grounds; cremations, cremation grounds and electric crematoriums.
- Cattle pounds; prevention of cruelty to animals.
- Vital statistics including registration of births and deaths.
- Public amenities including street lighting, parking lots, bus stops and public conveniences.
- Regulation of slaughterhouses and tanneries.

strengthen capacity of small and medium size towns with a special focus on Local Self-Governance institutions. Samarthan has been working since five years in two urban local bodies in Sehore district of Madhya Pradesh and since one year started its intervention in Ambikapur Municipality<sup>2</sup>. Ambikapur town of Surguja district in Chhattisgarh State has been selected for the study primarily due to Samarthan's long-term commitment to improve governance in this town. The present study<sup>3</sup> has been undertaken as a part of our effort in strengthening urban governance and to address the problem of financial health of urban bodies.

## **2. Objectives Of The Study**

Here in this study primarily an attempt has been made to understand the financial status of Ambikapur Municipality and suggest the areas of improvement. To use the findings to sensitize people's representatives, citizens, Government representatives and other civil society actors so that more relevant plans and interventions for future may emerge, to find out the trend of resource mobilization are the other objectives of the study.

## **3. Methods Adopted**

The data for the study is primarily based on secondary sources<sup>4</sup>. Besides, some semi-structured interviews were carried out with some stakeholders of municipalities, Government officials and Chief Municipal Officer (CMO). Often the responses of

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<sup>2</sup>Ambikapur Municipality was established in the year 1939. Initially there were 27 wards but at present there are 40 wards. The Ambikapur Municipal Council got dissolved in the year 2003 and fresh elections for Municipal Corporation is yet to be done.

<sup>3</sup>The study has been conducted in auspicious of the Joint Action Program (JAP) of PRIA, New Delhi.

<sup>4</sup> Budget of Ambikapur Municipality of the years 97-98, 98-99, 99-00, 00-01, 01-02 and other literatures pertaining to urban finance has been used as secondary sources.

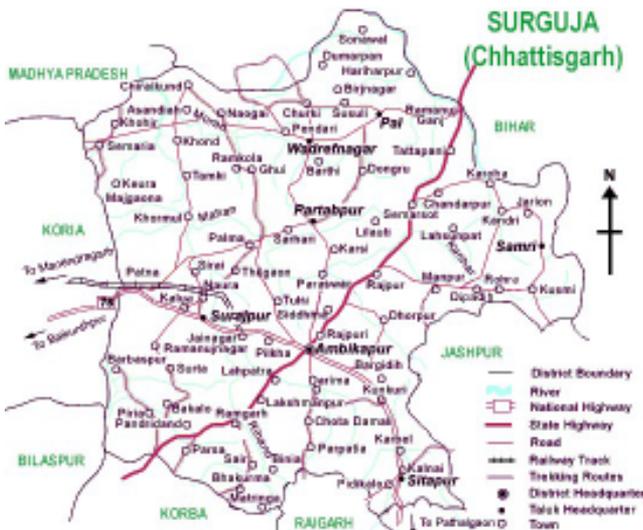
different stakeholders at the ward level were also recorded. Initially the documented budget of the municipality was collected. The review of the document was persuaded and finally it was decided that the analysis of two major aspects i.e. income and expenditure is important.

A through reading of the budget has been given and the same has been into 6 categories of income and 6 categories of expenditure. All these data were processed using computer packages, which provided an output in the tabular as well as graphical manner.

#### 4. Area

Ambikapur is the district head quarter of Surguja, which is located in the northern part of Chhattisgarh State. It has an area of 22,337 sq. km. The shape of the District resembles the figure of a cub with its hands projecting towards the west-north west. Presently, the district comprises of 9 Tehsils and 7 towns.

Map 1: District Map of Surguja



Over 50 percent of the area in the district lies under forest. The climate of this district is characterized by a hot dry summer and well-distributed rainfall during the monsoon season. Total population of the district according to 2001 census is 1970661 persons, comprising of 999196 males and 971465 females. The literacy rate of the district is 55.37% (53.01% rural and 84.85% urban) and the trend is significant in other urban areas of India. Paddy is the main crop of the district and it grows twice in a year. The district is very rich in major and minor minerals.

### **5. Budget Process**

The CMO prepares an annual estimate of income and expenditure on or before the first day of January every year and lays before the Finance Committee/Standing Committee which considers the budget estimates and submits it with modification to the council not later than 31<sup>st</sup> day of January. The council after considering the budget estimates forthwith submits the copies as adopted by it to the prescribed authority and the State Government. The cash balance in no case should be less than that of prescribed by the Government. In case of the council having failed in passing the budget estimates before 31<sup>st</sup> day of March, the estimates recommended by the Finance Committee or the Standing Committee or prepared by the CMO are deemed to be the budget estimates finally adopted by the council. In case of indebtedness of any council, the budget estimates are subject to the prior sanction of the State Government.

The council may transfer the amount from one major head to another, or increase the amount of any budget grant, or make an additional budget grant for the purpose of meeting any special or unforeseen occurrence, but not in such a way as to bring the estimates cash balance at the close of the year below the limit prescribed by the Government.

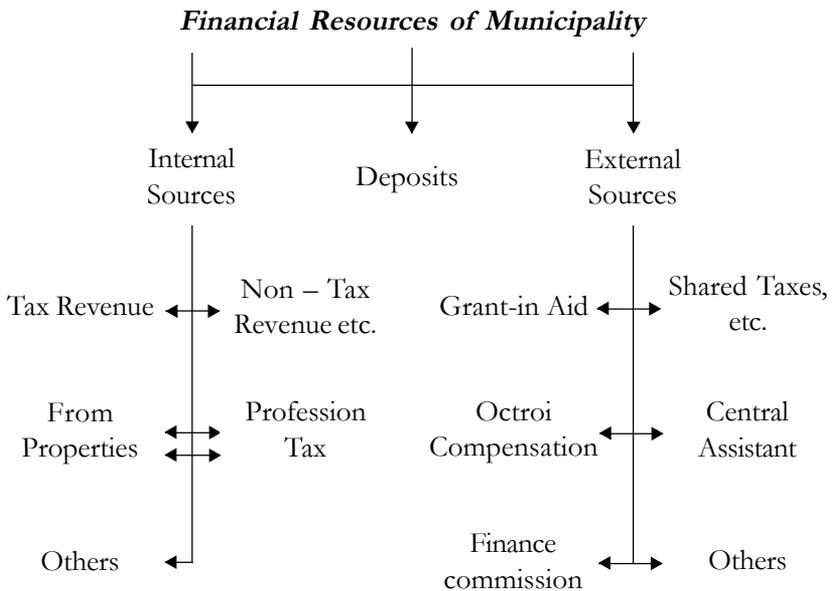
If at any time during the financial year the council finds that the income will not suffice to meet the expenditure, it may either diminish the sanctioned expenditure or have recourse to supplementary taxation or to an increase of the rates, or adopt all or any of these methods.

Municipality handles various aspects, which helps to grooming the town and its prosperity. The facets of finance among the various aspects are important and here in the next chapter an attempt is made to analyze the financial aspects of Ambikapur Municipality especially the income and expenditure over the period of five years.

### 6. Sources of Revenue or Income

The municipalities need enormous funds for the discharge of their compulsory as well as discretionary functions. Municipalities depend upon their own funds and the help from the State Government from time to time for the discharge of

**Figure 1: Financial Resources of Municipality**



their compulsory as well as discretionary functions. Their own funds are certain and therefore they are called recurring income while the other help from the State Government is not certain and changes from time to time and so it is called the non recurring income. Recurring deposits cover all the taxes, tolls and other ways of income collected by the municipalities. Non-recurring deposits cover grants, compensations (octroi etc) loans, and grants from the Central Government, Finance Commission etc. The major form of non-recurring income is the grant followed by specific loans, the Central and the State assistance.

## 7. Analysis of Income and Expenditure of Ambikapur Municipality

It is little tough to analyze the list of income and expenditure with special reference to various means of revenue generation and means of expenses. For the sake of convenience in analyzing the budget, the various means of revenue generation as well as means of expenditure have been classified into following major heads (see table 1), which are convenient, and solves the purpose of presentation of the whole scenario of income and expenditure.

**Table No. 1: The Heads of Classification of the Budget**

<i>Income</i>	<i>Expenditure</i>
• Tax Revenue	• General Administration
• Assigned Revenue and Compensations	• Public safety and services
• Rental Income from Municipal Properties	• PWD
• Fee and User Charges	• Education
• Grants, Contributions and Subsidiaries	• Grants/Schemes/Contributions
• Others	• Miscellaneous

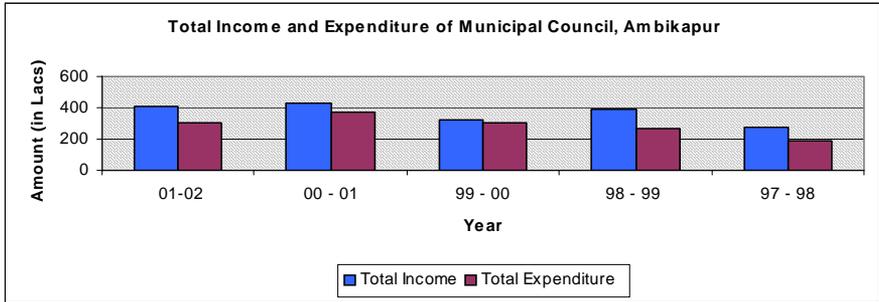
## 8. Comparison of Total Income and Expenditure

An attempt is made here to compare total income with expenditure of all the years since 1997-98 to 2001-02 and it is observed that income is more than expenditure which, in a way is giving a positive picture but at the same time this also implies that a major portion of funds are not getting utilized and the same gets transferred next year as opening balance. The details of income and expenditure are presented in following text and diagram.

**Table No 2: Comparison of Total Income and Expenditure**

Year	Amount (in Lacs)				
	01-02	00 - 01	99 - 00	98 - 99	97 - 98
Total Income	411.89	426.56	328.38	389.41	279.49
Total Expenditure	308.74	369.83	308.74	271.05	193.36

**Graph No.1**



### 8.1 Income

As mentioned earlier income of the Municipality has been broadly classified into six major heads. The details of the heads are discussed in the following text:

### 8.2 Broad Heads of Income

The municipalities get maximum revenue from taxes. These taxes are of two types—direct and indirect. The components of the direct taxes are property tax, profession tax, taxes on vehicles,

taxes on animals like dogs, passenger tax, recreation tax, scavenging tax etc. In addition to these direct taxes, the municipalities levy indirect taxes, which include octroi tax, taxes on ferries etc. For the levy of certain indirect taxes, the municipalities have to procure the sanction of the state Governments in advance. Another category consists of the tax instruments for which the powers for levy and collection of taxes may be assigned to the State Governments but whose proceeds may be fully assigned to the municipalities and are called assigned revenue and compensations. These are partly exploited by the State Governments and partly shared with the municipalities. Certain municipalities have their independent enterprises and make certain income from them. The properties owned by the municipalities may also fetch some income in the form of rent or hire charges. Fee and user charges constitutes a small portion of the municipal own source of revenue. While fees are regulatory device, user charges have high revenue potential and are instruments for rationing civic services and hence preventing wastage at the recipients' end. As is well known the municipalities have the right to regulate certain trades and other activities. For this purpose they issue necessary licenses and may charge fee. This also supplements the income of municipalities. The municipalities get certain grants-in-aid from the state Governments too. These grants are of two types- recurring and non-recurring. The recurring grant is given for the maintenance and upkeep of certain services. The non-recurring grant on the other hand is given for some specific purpose. The grants-in-aid form a substantial portion of the municipal income. In addition to the above the municipalities can also get funds in the shape of loans from the state Governments. Though usually these loans are refundable, sometimes they are written off also. The municipalities can resort to public borrowings. This can be done only with the prior approval of the state Government.

## 9. The Trend of Income of Ambikapur Municipality

The major thrust of the table given below is to present the total income according to above classification over the years and its percentile contribution to the total income of that year. It is observed that over the years there has been considerable increase in the income of Municipality except for the year 1999-2000. From table no. 3 it is clear that the income is mainly dependent on tax revenue, compensations, grants. On an average 40-50% of the total income is from compensations received and 25-45% of the income is dependent upon grants, contributions and subsidiaries. The contribution of self-generated income to the total income is very low and it is approximately around 10-15%. This is mainly due to the reason that the collection of taxes from public is very low though its contribution to total income is increasing (except for the year 2000-2001).

**Table No. 3: Components of Income**

<i>Heads</i>	<i>Total Income (in Lacs)</i>				
	<i>Year</i>	<i>01-02</i>	<i>00 – 01</i>	<i>99 - 00</i>	<i>98 – 99</i>
Tax Revenue	48.53 11.78%	39.71 9.30%	46.12 14.04%	41.96 10.77%	28.05 10.03%
Assigned Revenue and Compensations	207.67 50.42%	170.73 40.02%	162.85 49.59%	118.52 30.43%	119.82 42.87%
Rental Income from Municipal Properties	22.19 5.38%	19.18 4.49%	17.87 5.44%	14.69 3.77%	13.52 4.84%
Fee and User Charges	8.70 2.11%	5.22 1.225	1.95 0.60%	1.92 0.49%	0.85 0.30%
Revenue, Grants, Contributions and Subsidiaries	116.29 28.23%	184.95 43.35%	94.89 28.89%	204.88 52.61%	107.32 38.39%
Others	8.51 2.06%	6.77 1.58%	4.70 1.43%	7.44 1.91%	9.93 3.55%
Total	411.89	426.56	328.38	389.41	279.49

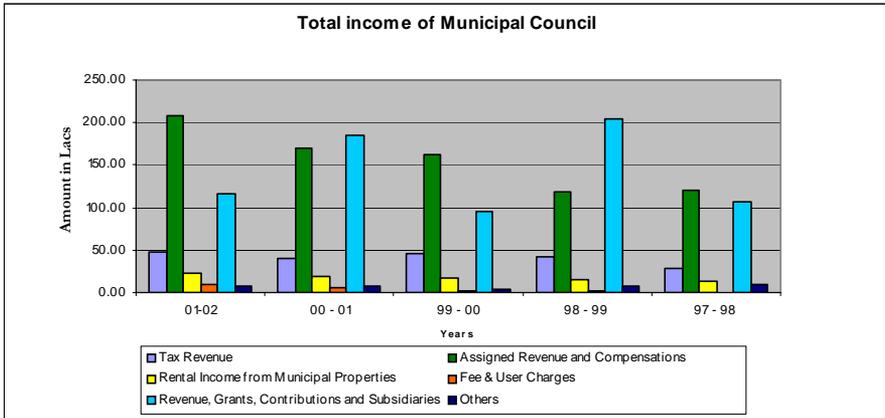
All the six above mentioned sources of income are not explained in detail here and only three of the sources that contribute significantly to the total income are explained in detail

**Table No. 4: Income from Tax Revenue**

<i>Heads</i>	<i>Actual Income (in Lacs)</i>				
	01-02	00 - 01	99 - 00	98 - 99	97 - 98
Tax Revenue					
Property Tax O/S*	15.02 30.98%	10.02 25.25%	5.98 12.91%	1.06 2.52%	1.21 4.30%
Property Tax Target	4.208 8.67%	2.83 7.13%	2.5 5.4%	0.68 1.62%	0.84 2.99%
Samakit Kar O/S*	4.836 9.96%	2.054 5.17%	0 0	0 0	1.988 7.07%
Samakit Kar Target	2.29 4.73%	4.051 10.20%	0 0	8.385 19.95%	0 0
Special Sanitary Tax O/S*	0.0083 0.02%	0.0441 0.11%	0.2 0.43	0.21 0.49%	1.19 4.23%
Tax on Animals	0.1221 0.26%	0.104 0.26%	0.08 0.17	0.097 0.23%	0.13 0.46%
Water Tax	20.37 41.96%	17.409 43.87%	20.3 43.84%	18.97 45.14%	14.47 51.51%
Education Tax	0 0%	0 0%	0.002 .004%	0.031 0.07%	0.002 0.007%
Tax on Fishing	1.67 3.44%	1.068 2.69%	0.63 1.36%	1.76 4.18%	0.273 0.97%
Advertisement Tax	0 0	0 0	0.0353 0.07%	0 0	0 0
Revenue from Construction of Shops	0 0	2.12 5.34%	16.5 35.64%	10.7 8 25.65%	7.95 28.3%
Total	48.5244	39.7001	46.2273	41.973	28.053

\* O/S - outstanding

**Graph No. 2**



### 9.1 Tax Revenue

This is the major source of self generated income of Municipality its contribution to total income is marginally increasing over the years (except for the year 2000-2001), as is evident from the trend of last five years. The trend of the five years is presented in table no 2.4. Under this particular head receipts from water tax is highest but is stagnant at around 17-20 Lacs. Collection from property tax is increasing considerably over the period of time. Whereas, marginal increase is recorded in collection of taxes on animal and lease of pond.

### 9.2 Assigned Revenue and Compensations

Income under this head is considerably increasing during the last 5 years particularly in the year 2001-2002. Income under this head is mainly due to octroi, passenger tax, and basic infrastructure fund.

In the year 2001-2002 funds received for octroi is almost double than the previous years. Due to this only there has been significant increase in the income under assigned revenue and compensations in the year 2001-2002. In the same year on one hand funds under the head octroi increased but at the same

time funds for basic infrastructure decreased to a greater extent as compared to previous years. The trends of assigned revenue and compensations are presented in the Table 5.

**Table No.5: Income from Assigned Revenue and Compensations**

<i>Assigned Revenue and Compensations</i>	<i>Actual Income (in Lacs)</i>				
	01-02	00 - 01	99 - 00	98 - 99	97 - 98
Entertainment Tax	0.415 0.19%	0.374 0.27%	0.3818 0.23%	0.405 0.34%	0.4258 0.35%
Compensation Received for Damage of Municipal Council's Property	2.102 1%	1.857 0.1%	0 0	0.656 0.55%	0.41 0.34%
Grant for Court Fee	4.546 2.18%	4.347 2.52%	4.265 2.60%	6.286 5.28%	3.89 3.23%
Compensation in lieu of Octroi	163.424 78.44%	72.764 42.20%	60.673 37.01%	49.945 41.95%	42.496 35.27%
Passenger Tax	30.199 14.49%	46.391 26.9%	56.089 34.21%	32.574 27.36%	37.93 31.48%
Water Supply and Maintenance	6.989 3.35%	44.994 26.09%	41.44 25.27%	28.65 24.06%	34.665 28.77%
<b>Total</b>	<b>207.675</b>	<b>170.727</b>	<b>162.8488</b>	<b>118.516</b>	<b>119.8168</b>

### 9.3 Grants<sup>5</sup>

As mentioned in earlier paragraphs Grants contributed 25-45% of income to the Municipality. The basic trend of the earmarked issue is mentioned in table no. 2.6 As per the budget there are 22 items under this major head. For the convenience of analysis those that contribute significantly towards the total income under this head, are explained here. Among the various heads mentioned the major contributors are provision for education, NSDP<sup>6</sup>, SJSRY<sup>7</sup>, Social Security Fund, National Old Age Pension, and Tribal Development Fund.

<sup>5</sup> There are some tied and untied grants has been assigned to the urban municipality.

<sup>6</sup> National Slum Development Program

<sup>7</sup> Swarna Jayanti Sva Rojgar Yojna

**Table No. 6: Income From Grants**

<i>Heads</i>	<i>Actual Income (in Lacs)</i>				
	01-02	00 - 01	99 - 00	98 - 99	97 - 98
Provision for Education	12.000 16.66%	18.790 11.83%	10.000 12.3%	20.052 10.32%	23.878 24.11%
N.S.D.P.	3.646 5.06%	5.190 3.26%	3.570 4.39%	120.000 61.8%	9.960 10.05%
SJSRY	2.999 4.16%	3.030 1.90%	4.231 5.20%	6.470 3.33%	28.120 28.4%
Water Scarcity	0.000 0	22.007 13.86%	1.000 1.23%	8.435 4.34%	0.000 0
Basic Infrastructure	6.500 9.03%	18.490 11.64%	0.000 0	0.000 0	0.000 0
Road Maintenance	7.439 10.34%	30.739 19.36%	18.332 22.55%	11.000 5.66%	9.045 9.13%
DPC <sup>8</sup>	0.548 0.76%	3.861 2.43%	13.861 17.04%	0.000 0	0.000 0
Social Security Fund	17.064 23.71%	10.704 6.74%	18.289 22.49%	8.573 4.41%	12.621 12.74%
National Old Age Pension	13.049 18.14%	13.415 8.45%	8.612 10.59%	17.272 8.89%	13.181 13.31%
National Family Assistance	1.043 1.45%	2.340 1.47%	3.300 4.05%	2.100 1%	1.700 1.71%
Tribal Development	7.439 10.34%	30.739 19.36%	0.000 0	0.000 0	0.000 0
<b>Total</b>	<b>71.73</b>	<b>159.31</b>	<b>81.20</b>	<b>193.90</b>	<b>98.51</b>

From table no.6 it is evident that most of the funds are coming for Social Security Fund, National Old Age Pension, Provision for Education. Here it is remarkable to note that since the year 2000-01 Tribal Development Fund started coming to be as a major contributor. Before the year 2001-02 lots of funds were coming for construction and maintenance of roads and basic

<sup>8</sup> District Planning Committee

infrastructure development, which is showing decreasing trend in the year 2001-02. Similarly funds for SJSRY is showing a consistent decrease.

## **10. Expenditure**

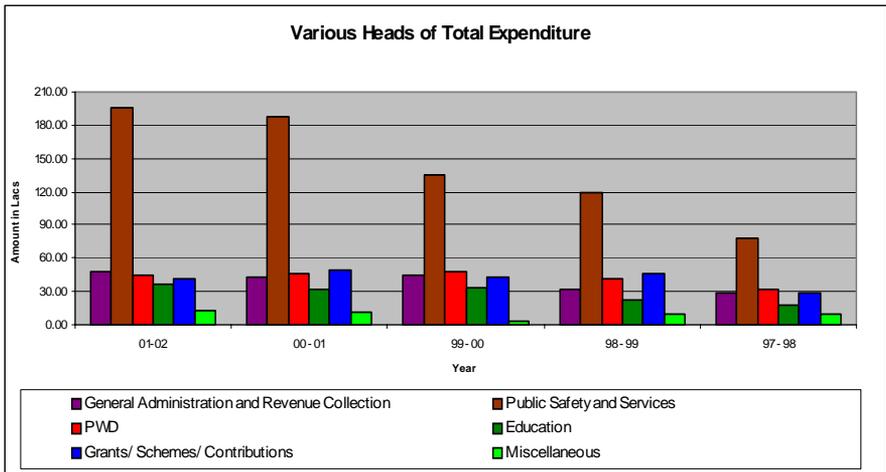
The expenditure of municipality is broadly towards general administration, PWD, education, grants/schemes, public safety and contingencies and library. Funds received for various schemes for services. General administration includes salary and allowances, contingencies, establishment expenses. Public safety and services include expenses towards fire services, electrification, water supply and sanitation. Public Works Department (PWD) is concerned with up keep of Government houses and shops, construction of small bridges/ culverts, design of projects funded by grants/ loans. The major expenses towards education include salary, establishment, social development and other developmental works are disbursed under the head grants.

### **10.1 Analysis of Expenditure**

The total expenditure of the municipality is showing a consistent increase since the year 1997-98. A closer look at the break up of expenditure reveals that the expenditure for General Administration, PWD, Education, Grants/ Schemes is almost static over the years with minor increase or decrease as compared to that of public safety and services. It is approximately 3-4 times the others. The expenditure incurred on General Administration is quite on the higher side as compared to that spends on PWD, Education, Grants. The basic trend of expenditure of the municipality over the period of 5 years is presented in the following table. The analysis accomplished of some selected heads, which shows the major expenditure.

**Table No. 7: Total Expenditure (in Lacs)**

Heads	Total Expenditure (in Lacs)				
	01-02	00 - 01	99 - 00	98 - 99	97 - 98
General Administration and Revenue Collection	47.97 12.60%	43.59 11.79%	44.93 14.55%	31.65 11.68%	28.47 14.72%
Public Safety and Services	196.29 51.55%	187.19 50.62%	134.52 43.56%	119.19 43.97%	78.22 40.45%
PWD	44.14 11.59%	46.23 12.49%	48.52 15.71%	41.51 15.31%	31.10 16.08%
Education	37.22 9.78%	31.89 8.63%	33.77 10.94%	22.44 8.28%	17.74 9.17%
Grants/ Schemes/ Contributions	42.12 11.06%	49.67 13.43%	43.09 13.96%	46.19 17.04%	28.34 14.66%
Miscellaneous	13.02 3.42%	11.23 3.04%	3.91 1.27%	10.06 3.71%	9.49 4.91%
<b>Total</b>	<b>380.76</b>	<b>369.80</b>	<b>308.74</b>	<b>271.04</b>	<b>193.36</b>

**Graph 3**

## 10.2 Public Safety and Services

Under this head are included fire, electricity, water supply and sanitation. The expenditure on water supply and sanitation is

very high as compared to other two. This shows that municipality is putting in lots of efforts for providing safe drinking water and clean and hygienic environment to the growing population.

The deviation here is that water tax is the highest contributor of tax revenue (on an average 18.3 Lacs per year). This may be due to the reason that if effective and efficient facility is given then people also comes forward to pay the taxes. On the other hand the expenditure on fire services is almost static over the years and that on electrification is increasing significantly.

**Table No. 8: Expenditure on Public Safety and Services  
(in Lacs)**

<i>Public Safety and Services</i>	<i>01-02</i>	<i>00 - 01</i>	<i>99 - 00</i>	<i>98 - 99</i>	<i>97 - 98</i>
Fire	6.99 3.49%	5.62 2.97%	4.25 3.14%	4.25 3.52%	3.28 4.16%
Electricity	38.62 19.31%	26.20 13.88%	5.62 4.15%	5.97 4.95%	11.24 14.22%
Water Supply and Sanitation	150.68 75%	155.38 82.15%	124.65 92.24%	108.98 90.43%	63.70 80.8%
Total	196.29	187.20	134.52	119.20	78.22

### 10.3 PWD

The total expenditure of the department is showing decreasing trend over the years. Since the year 2000 special emphasis is being given for the construction, repair and renewal of roads. Therefore the expenses for this are quite high. Other major expenses of the department are towards establishment and construction of buildings. The basic trends, which are coming, are presented in the following table:

**Table No.9: Expenditure of PWD (in Lacs)**

PWD	01-02	00 - 01	99 - 00	98 - 99	97 - 98
Establishment	7.95 17.96%	7.77 16.78%	7.63 15.71%	5.10 12.24%	3.71 11.87%
Construction of Buildings	4.67 10.55%	7.94 17.15%	25.88 53.31%	21.01 50.4%	0.00 0
Repairs and Renewal of Buildings	0.50 1.13%	0.14 0.30%	0.78 1.60%	2.01 4.82%	0.00 0
Construction of Roads	19.60 44.29%	19.89 42.96%	5.78 11.9%	5.78 13.87%	21.28 68.09%
Repairs and Renewal of Roads	8.08 18.26%	4.50 9.72%	3.79 7.8%	2.91 6.98%	3.79 12.12%
Construction of Culverts	0.10 0.23%	2.53 5.46%	0.20 0.41%	0.08 0.19%	0.11 0.35%
Storage	3.21 7.25%	3.46 7.47%	4.45 9.16%	4.40 10.56%	2.11 6.75%
Development of Bus Stand	0.04 0.09%	0.00 0	0.00 0	0.21 0.50%	0.10 0.32%
<b>Total</b>	<b>44.14</b>	<b>46.23</b>	<b>48.52</b>	<b>41.51</b>	<b>31.10</b>

#### 10.4 Grants

This comes under regular expenses of the municipality. Major expenses are towards Social Security Pay, Old Age Pension and SJSRY. However, if funds received for schemes and actual funds disbursed is compared (table no.10) then it is found that in most of the cases the total amount received is not disbursed completely and in most of the cases like Maternity Benefit Fund (year 2000-01), SJSRY (year 2000-01), NSDP (1997-98) only 30-50% funds are utilized. Whereas at the same time there are certain cases where it is found that the fund disbursement is more than the receipt. In case of Social Security Pay, Old Age Pension on an average almost a major portion (80-85%) is getting utilized. In the year 1998-99, Rs. 120.10 Lacs were

Table No. 10: Income and Expenditure in the Context of Grants

<i>Grants/ Schemes/ Contributions</i>	<b>01-02</b>		<b>00 - 01</b>		<b>99 - 00</b>		<b>98 - 99</b>		<b>97 - 98</b>	
	<i>Income</i>	<i>Expenditure</i>	<i>Income</i>	<i>Expenditure</i>	<i>Income</i>	<i>Expenditure</i>	<i>Income</i>	<i>Expenditure</i>	<i>Income</i>	<i>Expenditure</i>
Social Security Fund	17.06	14.35	10.7	12.20	18.28	9.80	8.57	10.25	12.62	15.75
Old Age Pension	13.04	14.98	13.41	14.17	8.61	12.34	17.27	13.73	13.18	3.09
Maternity Benefit	0.035	0.79	0-200	0.07	0	0.02	0	0.07	0	0.05
Girl Child Development	0	0.16	0	0.13	0.05	0.17	0.56	0.03	0	0.00
Unemployment Allowances	0.42	0.50	0.7	0.16	0.27	0.17	0.26	0.13	0.06	0.17
Mid Day Meal	2.23	2.72	3.66	3.25	4.65	3.55	2.54	3.61	3.82	5.74
National Family Assistance Fund	1.04	1.70	2.34	1.40	3.3	10.37	2.1	2.55	1.7	3.10
N.S.D.P.	3.646	2.83	5.19	4.13	3.57	5.07	120.1	13.77	9.96	0.00
10th Finance Commission	0	0.00	0	12.57	3.64	0.00	0	0.00	0	0.00
SJSRY	2.99	3.86	3.03	1.59	4.23	1.61	6.47	1.61	28.12	0.00
11th Finance Commission	5.45	0.19	0	0	0	0	0	0	0	0
Total		42.12		49.67		43.10		46.20		28.34

received for NSDP, which is the highest amount ever, received but only Rs.13.77 got utilized that year.

## **11. Findings and Conclusions**

The study findings could be useful to sensitize people's representatives, citizens, Government representatives and other civil society actors to ameliorate an effective plan of intervention. The major findings of the study are:

Firstly, total income is more than total expenditure which, in a way is giving a positive picture but at the same time this also implies that a major portion of funds are not getting utilized and the same gets transferred next year as opening balance. Secondly, income is mainly dependent on tax revenue, compensations, and grants. On an average 40-50% of the total income is from compensations received and 25-45% of the income is dependent upon grants. Thirdly, grants received for various funds are not getting utilized completely. In few cases 80% funds gets utilized (Social Security Pay, Old Age Pension) where as in some cases major portion of funds remain unutilized in that particular year (e.g. NSDP in the year 1998-99). Finally, the other findings are the contribution of self-generated income to the total income is very low and it is approximately around 10-15%. This is mainly due to the reason that the collection of taxes from public is very low. Most of the funds are coming for Social Security Fund, National Old Age Pension, and Tribal Development Fund. Funds received for SJSRY is showing a consistent decrease. The expenditure incurred on Public Safety and Services is highest and is approximately 3-4 times the other expenditures. At the same time expenditure incurred on general administration is also on the higher side. Expenses for repair and maintenance of roads and establishment and construction of buildings (PWD) are also quite high.

The broad conclusions and recommendations emerged from the study are the limited resources available with the municipality have been further strained due to the enormous increase in population, in comparison to the increase in population the expansion of the municipal services has been rather slow and the aspirations of the people cannot be satisfied, the municipality and other local Government institutions have not been provided with sufficient funds by the respective state Governments. In India barely 20 per cent of the total income of the state is made available to the local Government institutions and the municipality has been given limited resources of revenue, it is reluctant to fully exploit even these limited resources due to the fear of getting unpopular with the local population. As the representatives of the people do not want to take any stake with their popularity vis-a-vis the voters, due to fear of losing their office, they do not resort to fuller utilization of their taxation power.

Typically local functions should be entrusted to the Urban Local Bodies (ULBs) by law, restricting the power of the State Government to remove such functions from the municipal domain; all functions listed in the 12<sup>th</sup> Schedule of the CAA should be made, by law, obligatory for the Urban Local Bodies, tax domains need to be widened along with the functional domains. It is recommended that dynamic taxes namely road tax, sales tax, income tax and land transfer fee be shared between the different levels of Government to ensure buoyancy to local Government revenues, the system of self-assessment of property tax, like in the case of income tax, may be introduced, there is a crying need in urban areas for the existence of intermediate organizations, which elicit the participation of people in decision-making and provision of services such as water supply, garbage collection, transportation and the like, whose consumption is by identifiable house holds, should be based on the levy of user

charges as far as is possible. For example bulk producer of garbage should be levied a special charge to recover the cost of removal of garbage.

The nuances of analyzing different parameters of income and expenditure is quite long and even it is useful. Further analysis of different permutation and combination may be made in the future course.

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# 11. Case Study: Salt Lake, West Bengal

*By Dr. Maitreyee Bardhan Roy*

## **Introduction**

Democracy in India encouraged passive participation. Policy decisions and its implementation since the British rule were considered to be the responsibility of the policy planners and the administrators. The development programs were offered to the 'public' as 'gift pack' chosen for them from the top. At the grass root level also, involvement of 'self' in decision making was discouraged. As a result, most of the development programs failed to satisfy the basic needs of the community. They had been criticized as piecemeal and sporadic. Failure of traditional policies to fulfill the needs of the community has compelled the urban planners and the administrators to find out an alternative program to fulfill the basic requirements of the locality through the involvement of the community themselves. The 74<sup>th</sup> Amendment of the Constitution for the first time offered an opportunity to the community to participate directly in municipal administration, exert their opinion in the preparation of the development plans and also to work for the successful implementation of the development program<sup>1</sup>.

The Amendment also proposed to adopt an intermediate administrative unit named Ward Committee at the grass-root level to establish a strong liaison between the resident and the municipality while carrying out the development work within the locality. The present paper intends to observe the

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<sup>1</sup>The Constitution (Seventy-Fourth Amendment) Act 1992, Statement of Object and Reasons

impact of ward level management in the community development activities.

The thrust area of the present study is the Salt Lake City, situated in the eastern part of Kolkata metropolis in West Bengal. Since the city is inhabited mostly by the educated and enlightened class, an ideal participatory community organization was existing in the locality much before the implementation of 74<sup>th</sup> Amendment of the constitution. Municipal administration in Salt Lake City came up only in 1995 i.e. after the adoption of the 74<sup>th</sup> Amendment of the constitution and the West Bengal Municipal Act 1993 but the community welfare organization in Salt Lake City was actively involved in carrying out the development work of the locality since 1972. The present paper while informing on the role of the ward committees under the Municipal administration will make a passing reference on the working of the community organization in Salt Lake City before and after the implementation of the West Bengal Municipal Act 1993<sup>2</sup>.

### **Objective of the Study**

Before the implementation of the 74<sup>th</sup> Amendment of the constitution and the adoption of the West Bengal Municipal Act 1993, the administration in Salt Lake City had been constantly shifting. Initially it was under the supervision of the Irrigation Department of the Government of West Bengal. From 1980, it went to the Calcutta Metropolitan Development Authority (CMDA). Again in 1985, the Notified Areas Authority took up the administration of Salt Lake City. Due to the constant shift in supervisory authority, the city development work was carried out in a sporadic fashion and that too as and when demanded by the residents.. Since the positive effects of community participation was very much

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<sup>2</sup> *West Bengal Municipal Act 1993*

known to the residents in Salt Lake City, most of the development plans had been carried out in the city at the insistence of the Community Welfare Organization. Thus the Community Welfare Organization has a significant role to play in the planned development of the residential locality in Salt Lake City. The present paper while commenting on the activities of the Ward Committee as an important device to encourage community participation will compare the role of the Community Welfare Organization as a spontaneous participatory organization originally introduced by the residents of Salt Lake City since the development of the planned city in 1970s.

The discussion in the paper will include the following aspects of study:

1. Urban development and the grass root level administration in Salt lake City before the implementation of 74<sup>th</sup> Amendment Act.
2. 74<sup>th</sup> Amendment Act and Ward Level Management,
3. The West Bengal Municipal Act 1993 and Ward Level Management
4. Ward level management v/s Community Welfare Organization
5. Success and failure of the participatory management in Salt Lake city
6. Implication of participation on the residential community of Salt Lake city
7. Future solution to the problem
8. Concluding remarks

## **1. Urban Development and the Grass Root Level Administration in Salt Lake City before the Implementation of 74<sup>th</sup> Amendment Act<sup>3</sup>**

Salt Lake, a planned city envisaged by Dr. Bidhan Ch. Roy, the then Chief Minister of West Bengal, was originally created to pursue accommodation to the government employees. The plots of different categories were distributed to the government employees for residential purposes. Government flats, government quarters etc. were also constructed for both the Central and the State Government employees. Government undertakings had been allotted lands for their staff quarters. The city thus grew with the prevalence of educated middle class community who are aware of their rights and privileges. The importance of 'community participation' was known to them and the city civic facilities were created by them through their own initiative .

The residential houses in Salt Lake City started growing since 1970 with almost no basic amenities were available for them. The city had no transportation facility. Amenities for daily living were totally absent. People had to commute to the nearby locality to collect the essential commodities of daily living. The first participatory organization in the name of Community Welfare Association in Salt Lake City came up in 1972. It was formed by the first group of inhabitants of Sector I (the oldest residential locality) of the City. The community welfare organization was originally acting as a socio-cultural organization of the resident. It was involved in community activities like Durga Puja, annual sports, annual picnic etc. for the residents with an intention to develop community feeling among themselves and to enable them to unite together in social welfare activities. Since the basic amenities of life were considered urgent for a healthy society, the socio-cultural

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<sup>3</sup> Interview with the residents

organization was later on converted into a Social Welfare Organization with an intention to officially place the demand for daily living to the recognized authority and to extend community effort to accrue the basic minimum necessities of life for themselves. They had to demand public transportation. They had to ask for a ration shop, consumers co-operative store, dealership of LPG, bank, milk booth, educational institutions etc. for themselves. The Community Welfare Organization also acted as residents' forum to protest any undemocratic decisions of the government against them. With the increase of population in Sector I the need for separate Community Welfare Organization for each block was considered essential. As such separate registered body had been created with an intention to deal with the problems which were exclusively local in nature. The Community Welfare Organisation had been expected to articulate the community needs and to demand solution to the local problems to the recognized administrative unit. However the overall intention of the Community organization was to involve all the residents of the locality in their own development work, to help them to develop a sense of unity and to encourage them to work together for their own development. With the dissemination of the activities of centrally located community welfare organization, it is converted into a consumers forum to fight for the residents, illegally deprived of their rights.

The Community Welfare Organization which was once acting as a dominant organization in representing the demands of the community residing in Salt Lake City is at present overshadowed by a legally recognized community development organization i.e. the Ward Committee. However in spite of the existence of a legally recognized body, the Community Welfare Organization continued to suffice as a community social-cultural body. The discussion in this paper will be incomplete without highlighting the changing role of

Community Welfare Organization in comparison to the Ward Committee in the era of Municipal administration.

## **2. Basic Tenets of the 74<sup>th</sup> Amendment to the Constitution and Ward Level Management**

A powerful self-managed administration in India was the dream of Mahatma Gandhi, the father of the Nation. He demonstrated the importance of peoples' participation in decision making, particularly in the development field. Mahatma Gandhi's concept of democratic decentralization at the grassroots level received prominence under the 74<sup>th</sup> Amendment Act 1993. The Amendment Act for the first time proposed for a three-tier participatory democratic organization in the urban areas with the Ward Committee at the grass root level, the Municipality at the intermediate level and the District Planning Committee at the top. The Ward Committee is expected to involve the local residents to prepare the development plan and place it to the municipality. The Municipality in turn is to forward it to the District Planning Committee and the District Planning Committee is to develop a meaningful deliberation and effective communication with the State Government for sanctioning it. Thus the constitutional Amendment Act for the first time proposed for a three-tier structure for the effective implementation of community development action in the city civic administration.

## **3. The West Bengal Municipal Act 1993 and the Ward Committee**

Over and above the three-tier democratic structure, the 74<sup>th</sup> Amendment Act also talked of a decentralized organization at the grass root level i.e. the Ward Committee. The Amendment Act was silent about the composition of the Ward Committee and the State Government has been asked to sketch out the structure of the Ward Committee through their legal

interpretation. The West Bengal Municipal Act 1993 was implemented with an intention to complement the provision of 74<sup>th</sup> Amendment of the constitution at the local level. The provision of the Act authorized the Councillor of the Ward to form a Ward Committee with the number of members to be determined by him. The Act proposed for the inclusion of local experts and educated residents of the locality to the Ward Committees, to enable it to logically determine the priority areas of attention in the locality. The Ward Committee is expected to meet once in a month to decide development needs of the area. The general meeting of the committee should be held once in a year involving the residents as a whole to disseminate community opinion on development priorities.

The Act also authorized the Ward Committees to constitute sub-committees in socio-cultural and health improvement field etc. The specific provision in the act was adopted with an intention to involve more and more people in community activities and community development work. As a planning and coordinating authority, the Ward Committee does not enjoy financial autonomy but the sub-committees have been authorized to collect fund from different sources. They are expected to get involved in local activities like community sports, community picnic, community cultural programs, free health program etc. within the locality. The sub-committees under the supervision of the Ward Committees are also expected to carry out the community activities involving the residents of the locality.

Thus the Ward Committee under the Municipal Act is a replica of Community Welfare Organization already in existence in Salt Lake City. However the significant difference as witnessed in the working of both the organizations is that the Community Welfare Organization is a people's body

elected exclusively by the community, for the community and is of the community. Thus the members of Community Welfare Organization need not use their political affiliation to include themselves to the executive body. His residential qualification is the only criterion for him claiming a membership of the Community Organization. Obviously, his special affinity towards community activities offers him an opportunity to capture a position in the Executive Committee. The Ward Committee on the other hand is a body where members are preferably picked up according to their political backup. There is an unwritten agreement that the majority members of the Ward Committee must have political affiliation. Conventionally two-third of the members are chosen by the councillor generally from his own political party and the rest one-third come from the opposition (Chairman's nominee). Selection of a non-political person in the Ward Committee is an exceptional and unusual practice in West Bengal and same is true to Salt Lake situation also. This political character of the Ward Committee obviously restricts the resident to accept it as a people's body.

### **3 a) Ward Committee and Salt Lake City**

The replacement of Modified Areas Authority by the Municipality in Salt Lake City in 1995, though outwardly did not interfere much in the activities of the Community Welfare Organization, in practice, the adoption of Ward Committees as a participatory body has downgraded the status of the Community Welfare Organization. At present it is very unusual for the community organization to involve in the development work of the locality. As per the provision of Municipal Act 1993 a community welfare organization is expected to hand over all their development plans to the statutory body i.e. the Ward Committee. The Ward Committee in turn is to place the plan to the municipality for its approval. The Ward Committee reserves the right to indirectly reject a proposal

by adding an adverse comment of the Councillor on the plan (exercise of such power by the Councillor is though unusual but not illegal). Thus the legal provision of the Municipal Act not only discourages the age old Community Welfare Organisation to be involved in the development work, the very provision of the Act has reduced the Samaj Kalyan Sangha to the position of a local club exerting influence in socio-cultural activities of the locality .

### **3 b) Community Welfare Organization in Salt Lake City**

Salt Lake, a planned city situated in the Eastern part Kolkata metropolis, bears a rich tradition of community development organisation involved in the development of the community since its inception. It was only with the concerted effort of the residents that Salt Lake City is converted into an effectively planned residential locality. A study on the activities of the Ward Committee in Salt Lake City will be incomplete without giving due recognition to the contribution of the Community Welfare Organisation as a bottom up organisation involved in the development of the locality much before the adoption of 74<sup>th</sup> Amendment to the Constitution and the West Bengal Municipal Act 1993. Thus the Samaj Kalyan Sangha in reality, acted as an ideal participatory body, developed and flourished through popular consensus and continued to achieve success in community activities through popular initiative and popular support (The role of the Community Welfare Organisation in Ward no. 8 of Salt Lake City will be taken up as an example of an ideal participatory body working under a municipality).

### **3 c) Samaj Kalyan Sangha (Community Welfare Organization ) in Ward No. 8**

Community Welfare Organization in AE Block (Ward No. 8 as is presently known in the map of Salt Lake Municipality), named as Samaj Kalyan Sangha (S.K.Sangha), was constituted

in 1975. Though it was originally established with an intention to offer the basic living facilities to its residents, historically the first achievement of the S.K. Sangha was the celebration of community Durga Puja festival in the locality. Its first step towards community activities began with a signature campaign for the demand of a milk booth for the residents of AE Block. In early 1975 the Sangha had to place a petition (containing the signature of the residents of the block) to the Milk Commissioner demanding the sanctioning of a milk booth in the locality. The milk booth was though sanctioned, the arrangement for the distribution of milk in its initial stage was made from the garage of one of the residents.

As one of the earliest and newly formed residential localities, the basic minimum necessities of life were totally absent in AE Block. The residents had to commute to the neighbouring locality to purchase essential commodities for daily living. Though the BD Block market came up in 1972, it was unable to cater the needs of the nearby blocks (city residential areas are known by alphabetic names such as AE Block, BD Block etc. Of course in the municipal record they are named by their ward numbers.). The Sangha had to acquire permission for a separate ration shop, Consumer's Co-operative Society, LPG distribution center etc. in their own block. Interestingly, the service to the ration shop and the Consumer's Co-operative Society from its inception was volunteered by the retired persons of the locality. The co-operative store and the local ration shop are run by the voluntary services of the elderly residents of the locality. The local residents also agreed to commute to the whole sale market to purchase better quality goods at a low price for the Consumer's Co-operative Society. As the Consumer's Co-operative Society acquired license for the sale of kerosene oil from the Directorate of Consumers' Goods, the elderly residents of the locality not only took up the responsibility of supervision and distribution of kerosene

oil, but registering of day-to-day accounts were also done by them. Also, at the instance of the S.K. Sangha, the female residents of the locality held the road demonstration in 1975 for the extension of city bus services up to AE Block. The State Transport Corporation was thus compelled to extend bus services to the inner city. At present it is the busiest and most significant route in the locality. In each alternate block in Salt Lake City, a plot of land is allotted for a supermarket. At the initiative of S.K. Sangha construction of supermarket was made possible in early eighties. It was at the initiative of the Sangha that the State Bank of India agreed upon to open up its branch at the roof-top of the AE supermarket some time in 1982. (A few more banks have now opened their branches in the nearby areas during last twenty-five years). The resident's organization had to demand for a separate post office in the locality and by the end of 1980s, a post office was also set up within the supermarket.

For the security and safety of the residents, the S.K. Sangha had decided to appoint a group of night guards with financial contributions of the residents of the locality. With the increase in the population in the locality, the Sangha had introduced garbage cleaning and collection services in the locality, originally with the contribution of the residents and at the initiative of the Notified Areas Authority. At present the sanitation duties of the locality are done by the Ward Committee. The supervision and maintenance of local parks at the beginning was under the purview of the Sangha. With their adoption by the Municipal administration, the maintenance and the development of local parks have been entrusted to the Ward Committee.

The illustrious achievement of S.K. Sangha was the construction of a community centre with the contribution of the residents of the locality. In the blue print of the Salt Lake

City, a piece of land in AE Block was allotted for the community centre. Since the position of the land as shown in the map was awkward, the S.K. Sangha pursued for a separate space for the Community Centre on a centrally located area. The Sangha was allowed to construct a community hall on the car parking zone close to the supermarket. Since no special grant was available for the community centre, the fund for the construction was arranged with voluntary contribution from the people of the locality. (A sum of Rs. 1,00,000 was received as contribution for the community hall as a token of appreciation to the Sangha for their wonderful service to the locality). At present all community festivals in the locality are organized at the community center.

#### **4. Ward Level Management vs Community Welfare Organization**

As one of the largest blocks in the city, (Ward no. 8 consists of 800 residential houses with a population of 4,551 people<sup>4</sup>) the SK Sangha, since its inception consisted of members elected by the residents. (Though the political affiliation of a member is not used in the election of the Sangha, it is considered as the prime criterion for the election in the Ward Committee. Thus a person who ignores his political affiliation in the election of the Executive Committee, prefers to expose it in the election of the Ward Committee). The practice of hiding the political affiliation of a contestant in the election of the Sangha has traditionally encouraged the people of the locality to consider the Sangha as their own body. There are instances where the resident preferred to contest in the election of the Sangha and wanted to actively involve in community activities under the banner of the Sangha but stayed away from the election of the Ward Committee due to its political character. Thus, though the community activities of the Sangha

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<sup>4</sup> Annual Report of the Ward Committee: Ward No 8. November 2003

are performed in the same manner as that of the Ward Committee i.e. through the various sub-committees, voluntary participation of the residents is more apparent and numerous in the Sangha than in the Ward Committee. Although the implementation of Municipal Act 1993 shifted the Sangha from the community development field to the socio-cultural field, neither the Sangha nor the people of the community have extended cooperation to the Ward Committee. At present, both the Sangha and the Ward Committee are working in the locality as two parallel organizations. Due to the lack of coordination between the two, there is confusion on the role of the ward Committee in the community development field. Till today, the resident either directly approach the Sangha for their development work or refrain from placing their demands to either of the two bodies.

Competition between the registered body and the statutory organization has become so evident that it hampers the normal development of the locality. Door-to-door garbage collection in AE Block was introduced first by the Notified Areas Authorities. With the intrusion of municipal administration, the service of the garbage collectors became very irregular. During national and state holidays, the garbage collectors remain absent. Since no corrective measure is adopted yet, the residents have to make an alternative arrangement to clear up the household garbage by themselves.

The Ward Committee, instead of getting involving with the residents in decision-making and in development work, offers limited opportunity to the residents to formally participate in the process. In Ward No. 8, the biggest ward in Salt Lake City, the Ward Committee consists of only nine members (for a population of above 4000). By convention two members are nominated from the majority party in the municipality and the rest chosen by the councillor, obviously from his core

group. Thus the statutorily evolved participatory body like Ward Committee, instead of encouraging popular participation at the grass root level, offers enough scope to the political representatives to concentrate the democratic rights only among those residents who have political affiliation if not the community support.

It is high time for the Ward Committee to exert its position to the community as a statutory body, if possible through the winning consent of the residents and the Samaj Kalyan Sangha. There should be a common platform for both the organisations. The avenues and resources of both the organisations should be utilized for the development purposes. It is only with the concerted effort of both the organisations that a cordial atmosphere can be brought in.

The West Bengal Municipal Act 1993 though authorized the Ward Committees to encourage more residential participation through the establishment of sub-committees. In practice the existence of sub-committees could not be felt by the residence, except during the community festivals. It may be due to the fact that as a representative body the Ward Committee is considered a superior statutory representative body entitled to implement policies, sketch out programs and offer services the locality whenever needed (as was done by the Municipal authorities before the implementation of West Bengal Municipal Act 1993).

Thus it would be the duty of the Ward Committees at this moment to involve more and more residents in community work. The steps to be taken to encourage more and more participation of the residents in the community activities so that the conception of the residents about a civic body is changed. It would be easier for a civic body to implement effective development plan if the resident are directly involved

in the development work .It is only with the increased participation of the citizens ,the Ward Committee can very easily assimilate with the community and can revive its position as the sole statutory body in the locality. It is high time for the ward committees to encourage more community participation. Salt Lake city as already mentioned , enjoys the pride of being inhabited by educated and cultured residents. Their awareness towards the development needs would be more specific, accurate, time bound and reasonable. Thus if their attitude towards the development of the community is properly supported with the political will, an effective development program can be easily achieved .

The general support of the local residents are still towards the Community Welfare Organizations. Even today, a number of sub-committees are found to be actively involved with the development activities of the Sangha and a number of sub-committees are still seen in the locality engaging in the activities like annual sports, annual cultural program, annual festival, community Durga Puja , community social welfare activities etc. It is because the Community Organizations are more open and resident-friendly as compared to the Ward Committees brought under the Calcutta Municipal Act 1993 .

Since the 74th Amendment Act and the West Bengal Municipal Act 1993 are silent about any form of organizational duplicity within the residential locality, the residents of Salt Lake City especially Ward No.8 have been experiencing the involvement of three sets residential organisations in the same ward. The organizations are the Ward Committees, Community Welfare Organizations in AE Block Part I and the Community Organization AE Block Part II. All these organizations have their own subcommittees evolved by the residents of the locality and are found to be actively involved in the community activities. In Ward Number 8, three sets of sports, cultural

programs, picnic, blood donation camp etc. are organized by the residents. Thus the welfare organizations as founded in the residential locality today in the name of community development activity are involved more in multifarious festive activities in the block . Thus it is high time for the ward Committees to revive its position and try to organize a full-fledged participatory forum with the willing participation of the residents .The civic body at this moment should endeavour to work for a healthy civic society so that the concept of good governance can be established in the locality with the concerted efforts of the residents Ward Committee and the Community Welfare Organisation.

### **5. Success and Failure of the Participatory Management in Salt lake City**

Establishment of Ward Committee is no doubt a landmark in the community development concept in urban municipal administration. The success of such a community development organization demands more openhanded attitude on the part of the policy framing authority. As a statutory participatory body, the Ward Committee system has not yet proved itself as an effective participatory body . The provision of Municipal Act 1993 has failed to offer enough autonomy to the Ward Committee in the decision making field. Under the present arrangement, the Ward Committee has been authorized to identify the problems of the locality, supervise municipal works, plan development priorities, convene the annual general meeting and submit administrative report to the municipality. It has not been entrusted with the right to draw a development plan , raise requisite resources ,take independent decisions and suggest ways to generate internal resources. Thus as a participatory organization, the Ward Committee is yet to receive proper autonomy to work as an ideal grass root level organization. Neither the legal provision of the constitution nor the political opinion of the country are eager to accept

the participatory democracy with an open mind. The Ward Committee system as evolved under the Municipal Act 1993 has a long way to go before it is being universally accepted as a successful grass root level organization in the urban municipal areas of our country.

As compared to the Ward Committee, the Community Welfare Organizations enjoyed more independence within its own arena . It enjoyed the right to generate internal resources and to take instant decisions in the development field .It enjoyed the authority to tackle the administrative inconveniences developed in the locality involving the community.Under exceptional circumstances it acted as residents' forum to fight back any indiscriminate decision against the locality. Thus constitutionally the community organization was a more powerful peoples' organization with maximum community support and community participation during the last thirty-three years of existence. Since the Municipal administration in Salt lake City bears the legacy of a successful community development organisation , the city administration should deserve cooperation from the Community Welfare Organization to help it evolve another a successful civic body for the community. The community in Salt Lake City thus dream of an effective participatory body for their locality with necessary Constitutional as well as legal footing.

## **6. Implications of Participation on the Residential Community of Salt Lake City**

The resident of Salt Lake City with the experience of last ten years are accustomed with the co-existence of the Community Welfare Organizations and the Ward Committees together. The areas of activities of both the organizations are known to them . In the words of one of the residents of AE Block , 'the development of the locality is the duty of the Ward

Committees, while the socio-cultural activities are to be taken care of by the Community Welfare Organization'.<sup>5</sup>

However, in spite of an unwritten division and distribution of power between the two discontent still persists. The tendency one is to ignore the other while carrying out the day to day activities in the locality. (As already mentioned, the Community Welfare Organization of Ward No. 8 has constructed a community center on the contribution of the residents of the locality but since the construction was not made on the Government allotted land, request for a community hall has been made again. An effort should be made by the Ward Committee to arrest unnecessary expenditure when ever possible.

## **7. Solution to the Issue**

The Ward Committee, with its legal footing, though tries to ignore the existence of the Welfare Organization as a powerful civic body in Salt Lake City, it would be advisable at this stage to encourage the Ward Committee to maintain a cordial relationship with the Community Welfare Organization. The Community Welfare Organization, with its long standing experience, can share all positive experiences with the Ward Committee to help it evolve an effective development program for the locality. But in practice, none of the proposals have been successful. The Community Welfare Organisation is not ready to accept any interference from the Ward Committee, while the Ward Committee, with its statutory authority does not entertain any form of interference from the Sangha. Thus in the absence of co-operative effort, an atmosphere of competition exists. In the opinion of one of the residents of Salt Lake City, the development needs of the residents of Salt Lake City have been taken care of by the

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<sup>5</sup> Interview with the Councilor . Ward Committee, members Community Welfare Organization and Local Resident of Ward No. 8

welfare organization for last thirty-three years but under the present arrangement, it has been reduced to a second grade position. It has become necessary for the Community Welfare Organization to take the permission of the Ward Committee for carrying out the development work in the locality. The Ward Committee, with its legally recognized authority, takes up a superior position, while the Community Welfare Organisation is more aware of the people's needs<sup>6</sup>. Thus it is the ego clash between the Community Welfare Organization and the Ward Committee that has been obstructing each other's work. It is only with the concerted effort of both the organizations that an ideal community based organization can be set up in Salt lake City in future.

## **8. Concluding Remarks**

It has been observed from the study that the bottom-up administration of the policy planners as expressed through the Ward Committee is yet to take proper shape if it is to establish itself as an effective people's organization at the grassroots level. Unless the community is involved in determining the development strategy for the locality, it cannot achieve the same level of success as is once achieved by the Community Welfare Organization, as a participatory body in Salt Lake City. Although the West Bengal Municipal Act 1993 legally authorized the Ward Committee to act as the only statutory body in the locality, the Ward Committee should try to impose the provisions of the Act tactfully and with the willing cooperation of the people. Once the community agrees to work with the Ward Committee, acceptability would be achieved and the Ward Committees would be able to establish itself as a truly participatory body. It is high time for the Ward Committee to impress the community through its statutory power. Once the community is able to identify the real purpose of the Ward Committee, the problem of overlapping

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<sup>6</sup> *ibid*

administration, as is now, shall be eliminated forever. This can be achieved only by a tactful, rational and sympathetic elected representative.

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## 12. Case Study: Jaipur, Rajasthan

*By Dr.Pradeep K.Saxena*

### **Conceptual Frame Work**

Institutional reforms at local government level have been a recurring theme in the literature of political science .The reasons of such a situation may be attributed to the complexities of the Indian civil society, political chaos, irresponsible behaviour of the legislatures and the government as well as elected officials, colonial bureaucratic system and low participation of the people at the local government level. However, the efforts made since independence to reform and redesign the urban local government and its institutions have been half-hearted due to distrust between the federal structures of the governance (Saxena 1995). Besides this, the compulsions and problems of the highly centralized economic system have complicated the issue of management of local government .This situation has not improved even after 73<sup>rd</sup> and 74<sup>th</sup> Amendment and the local governments, both at the rural and the urban level, have not been empowered. The structural and functional reforms could not inject power as well as inspiration for attitudinal and behavioural changes in these local bodies (Maheshwari 2003).The cosmetic changes in these local bodies through the Constitutional Amendments could not alter the basic foundations of the governance system in India .The local bodies remained puppets of the State Governments and the bureaucracy. People's participation, resources, funds etc have remained under the control of the federal structures. Institutional aspects such as traditions, behaviour, exchanges and modes could not emerge .The local bodies are still considered as the organizations of the State Governments.

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People's participation was not stressed. People's representatives in the local bodies are not considered as agents of civil society or the local people. On the other hand, the colonial administrative system did not allow them to become part of the governance system as they might have diluted the dominance and powers of the bureaucrats in the society (Maheshwari 2003). Therefore, the elected representatives of the local bodies have remained in dilemma over their status, role and powers in the emerging scenario. The elected representatives were completely ignored in the Constitutional Amendments. Consequently, the society has not, by its own aims and construction, recognized them as a representative of the people.

The political representation is considered as a profession to earn a livelihood, irrespective of ethical, moral and political questions. In such a situation, the issue of empowerment of people's representatives or civil society has become controversial. Empowerment of institutions or individuals or neighbourhood groups was not clearly demarcated in the Constitutional Amendments. Consequently a struggle over the share in the governance system has started. Since political representatives have a insecure future in their profession, unethical and corruption related instances were seen but those who have secure future were more or equally involved in such practices. Therefore, people's participation was not appreciated in the governance system by either one. The Ward Committees, Mohalla Committees, or Gram Sabhas were not promoted in the local bodies as these were considered as the parallel centres of power and resource sharing. Besides this, these committees were also considered as the alternative system of governance at the local area. Therefore, political and administrative levels of government have silently opposed the organization of such committees in the local government. In

the Rajasthan State, no municipality or municipal corporation has constituted Ward committees or Mohalla Committees.

### **Fact File**

Jaipur, being capital of the State, a tourist place and with a location close to Delhi, is divided into 70 wards of the Jaipur Municipal Corporation (JMC), along with multiple urban development agencies, bodies and departments like the Jaipur Development Authority, Jaipur Vidut Vitran Nigam, Public Health Engineering Department for water supply etc. Most of the basic and important responsibilities and functions are not assigned to the JMC and therefore, it is the weakest institution in the urban local administration. The Corporation has its own separate Act. It is being governed under the Rajasthan Municipalities Act 1956. Therefore, the JMC has the weak Mayoral system, in which the Commissioner of the JMC is more powerful in the executive functions and enjoys more powers, status and responsibilities than the Mayor. Generally, the Commissioner belongs to the IAS cadre. Therefore, conflicts between the Mayor and the Commissioner always exist on many thorny issues. The shadow of their relations affects the role and powers of the Ward representatives in the JMC. Since there are no Ward Committees in the JMC, the Ward representatives are supposed to perform the functions of these committees at the ward level. They are considered very weak irrespective of party in power or in opposition due to over-dominance of the commissioner system. They have to get permissions and sanctions from the commissioner of their area. Ward representatives are authorized to carry out developmental functions in their ward area for upto Rs.10 lakhs in a financial year but are not found able to do so. Beside this, the budget of the JMC is of over Rs.120 crore per year which is based on the State Government's grants, taxes etc, however, no special schemes, projects or foreign agency funded projects are

assigned to the JMC. In such a situation, the Ward representatives are in a fix as they have no say or voice in the ward area plan formulation or implementation as such tasks are performed by the urban development authorities but not by the JMC. As such, the Ward residents are ignored, neglected and deprived of their participation in the city development. The reason may be the distrust of the State Government with the JMC, its abilities, capabilities and work. However, the essence of the 73<sup>rd</sup> and the 74<sup>th</sup> Constitutional Amendments is missing in the urban local administration as the Wards of the city are not empowered legally and constitutionally. The Ward representatives find themselves in a helpless situation in which no institution is with them, not even their own local body.

Keeping this situation in mind, the local people are becoming active in solving their daily problems through mass protests, movements and even some violent actions like 'gherav', beating the local area officials, protesting at the residences of the JMC officials etc. Besides this, the local residents of the ward are also approaching the elected ward representatives for their demands and problems and pushing them for support and work. The ward representatives are now under public pressure to solve problems like supply of water, clean water availability, cleaning of the streets and residential colonies, street lights, road repairing etc. The ward members have formed their own committees in order to get the work done but no efforts have been made by the State Governments to establish Ward Committees which is also a Constitutional obligation. However, these informal ward committees in some wards of the city are now becoming political grounds for the next JMC elections instead of serving the local ward. It is also seen that in such committees, the civilized are less active and the local 'gunda' elements dominate and that creates different problems in the civil society. Further, these committees are also to become problematic for the local people when they

become ground for party politics and the party people. Moreover, such informal gatherings to generate factional politics and divisions in civil society thereby weakening the power of the civil society. The bureaucracy observes these events closely and tries to capitalize on them for its own benefit. The government uses it for political gains. However, ward representatives are becoming targets of their own party as well as the government. They are losing both influence and status in the society. In Jaipur city, the parties of the government have pressurized the government into resolving this situation else the party workers and the party ward representatives would be in trouble in the next JMC elections. Therefore, the Chief Minister had convened a meeting of the JMC Ward representatives and the commissioner in May 2005. In this meeting, it was resolved to transfer some important functions to the JMC from the JDA and the city's developmental functions, including land building auction, possession, construction of bridges etc. However, this decision was just on paper. In reality, the situation has not changed. Besides, it was also decided to strengthen the Ward representatives through more powers over the area officials of the JMC. How much of this is implemented in practice has to be seen.

On the whole, the ward system has not been strengthened. The civil society at the Ward level is still very weak in its organization, orientation, presentation and action.

### **Conclusion**

The structural reforms in 1994-95 by Mr.P.V.Narsimha Rao's government in the rural-urban local government and administration were designed to improve the situation at the local level in order to decentralize the governance system and empower the society for the emerging global social system. The focus of these reforms was upon the ward system at the

urban local government in order to augment the resources and devolution of powers to the society through Ward Committees and Mohalla Committees. But the State Governments have not realized this idea for one reason or the other in their states. Moreover, it was perceived that the 73<sup>rd</sup> and the 74<sup>th</sup> Constitutional Amendments would weaken the State Governments in the federal polity as the rural-urban governments would share their resources and powers. The State Finance Commissions (in Rajasthan two Finance Commissions have given their reports to the Governor) have also been not successful in transferring the resources from the State Government to the urban-rural bodies. Devolution of powers to these local bodies was also not done well. The Ward system might be a good support system for the decentralization of governance system but was not deliberately made for petty political gains. The previous two successive State Governments, specially the Gahlot Government, have not strengthened the urban bodies as the latter are not dominated by the Congress political party but by the Bhartiya Janata Party. Gahlot Government has constituted the Gram Sabha in rural areas but has not formed the Ward Committees in the urban local government. Party politics has clearly weakened the urban local government and thereby the civil society in urban areas (Saxena 1995). It was a deliberate action of previous governments against the civil society. Similar situations may also be seen in other states. Here the issue is that the civil society is also inactive towards this situation and not protesting against it. In some of the urban areas, civil society actions have taken place in the state but were very unorganized and ineffective (Crook et al 1998). Ward is the basic source of power, social action, the lowest level of urban local government and the base of the decentralization of governance system. However, no State Government is interested in creating the ward system in urban governance. The civil society has to become active for in socio-political action

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# 13. Case Study: Jabalpur, Madhya Pradesh

*By Ms. Neha Rai*

## **Overview**

With the passing of the 74th Amendment Act, decentralization has become the keyword in governance and Madhya Pradesh is one state, which has implemented this Act.

This paper attempts to understand this role of ward committees in the decentralization of powers in a million plus city of Madhya Pradesh, Jabalpur.

This study highlights the current nature of ward level management in the state in terms of enhancing the proximity of elected representatives at the neighborhood level for better accountability and performance and the increased participation of people in the delivery of services and governance of their areas. Local ward level governance structure would be understood in terms of their participatory structure, the formation and functions of the lower level committee. The benefits derived from the same and the gaps that are there with respect to such a system of governance are also emphasized.

The paper would further throw light on the specific role of the ward committees in delivering important basic services like sanitation and solid waste management in Jabalpur. The situation analysis done in this direction reflects the dismal situation with respect to these two specific services in the city. Therefore the case example of Jabalpur would highlight on how the recent changes in urban governance have empowered

the local bodies to discharge their responsibility of providing basic amenities. The study will also highlight the limitations and gaps in the governance structure specially the efficacy of service delivery through this local ward level governance structure.

## **1.0 Introduction**

The paper aims at understanding the system of decentralized governance through ward level management systems and basic service delivery mechanisms in Jabalpur Municipal Corporation area with emphasis on sanitary waste management issues. Before that a brief background of the formation and evolution of ward committees is essential:

One of the significant features of the 74<sup>th</sup> constitutional amendment act (CAA) is the setting up of Ward committee (WC) in urban local bodies with a population of more than three lakhs to ensure participation in civic affairs at the grassroots level. The WC is the most effective form of participatory governance where citizens from all sections of the society can take part in local governance. The WC should reflect firstly, the enhanced proximity of elected representatives for better accountability and performance at the neighborhood level and secondly it should ensure increased participation of people in the delivery of services and governance of their areas. Different state governments have different rules for the formation of WC.

## **2.0 Ward Committees In Madhya Pradesh: Jabalpur – Legal Provision**

Even though all states have incorporated the provisions in their conforming legislation as per constitutional requirements, wide variations exist in the legal provisions of WCs. This paper would highlight the current ward management structures in Jabalpur city.

## **2.1 Ward Committee Rules**

The city of Jabalpur got the status of Municipal Corporation in year 1950 by Act no. 3 of 1948, 'City of Jabalpur Municipal Corporation Act'. Mayor-in-Council System of Municipal Corporation was introduced in Jabalpur in year 1998. The 74th Constitutional Amendment Act of 1992 led to major changes in municipal governance in Madhya Pradesh. The Act led to introduction of reservations for SC, ST and women (1994); Constitution of Ward Committee (1995) and Mohalla Samitis (2001); Financial Powers to Authorities (1994) and Property tax norms (1997).

The process of decentralization from City to Zones and Zones to Wards in the city has already been initiated in the city since year 2000-01. The State legislation provides for constitution of Ward Committees<sup>1</sup> and Mohalla Samitis<sup>2</sup>. Ward Committees shall be constituted at the level of each zone for every 1 lakh population under the Duties and Powers and Procedures of Conduct of Business of Ward Committees Rules, 1995. Mohalla Samitis are to be constituted within each ward to represent 50 to 1000 households.

## **2.2 Composition**

The Ward Committee comprises of every elected Councilor representing a ward within the territorial area of a Ward Committee and two persons residing within the territorial area of such Ward Committee as may be nominated by the Mayor. The Ward Committee elects one of the elected Councilors to be its Chairman. There are eight Ward Committees in Jabalpur, one for each zone, but the constitution of Mohalla Samitis is under consideration.

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<sup>1</sup> Duties and Powers and Procedures of Conduct of Business of Ward Committees Rules, 1995

<sup>2</sup> Mohalla Samiti (Construction, Functions, Powers & Procedure for conduct of Business) Rules, 2001

### **2.3 Selection Criteria for Members**

According to the WC rules, all the members should be the residents of the ward. During the nomination, the aspect of proper representation should be kept in mind so that all sections of people are covered.

### **2.4 Mode of Selection**

The ward councilor and the local body are the sole nominating authorities. The elected councilor of the ward acts as the chairperson and presides over the meeting of WC. He/she has the right to remove any of the members, if necessary. In case of vacancy in the memberships caused by death, resignation, withdrawal of nomination or shift of residence of any member to elsewhere, it may be filled by fresh nomination.

### **2.5 Powers and Functions**

#### **Functions of the Municipal Corporation**

According to the M.P Municipal corporation act, 1956, the state corporations are responsible to perform two main types of functions – obligatory functions and discretionary functions. Municipalities have to perform 50 obligatory functions under four different spheres- public works, public health and sanitation, town planning and development and administration. The corporation also performs several other functions under the four broad heads mentioned above and also some additional functions like education, these functions are discretionary in nature.

#### **Functions of Ward Committee**

According to the rules, the WCs under the supervisor of ULB, are supposed to perform the following functions, which comes under three categories – a) Supervision and monitoring, b) Financial, c) Planning, d) Execution of development schemes.

*Supervision function:* Detection of statutory violation such as unlawful construction; execution of various municipal works at the ward level like garbage collection, Slum improvement, etc., assessment and collection of property tax, issue of birth and death certificates, redressal of public grievances.

*Financial function:* Using government land for tree plantation, construction of market complexes, running municipal transport system, etc.

*Planning function:* WCs are required to prepare a list of schemes for development within the ward after identifying problems in the ward and deciding about the priorities.

However, of all these functions, the ward committees in Jabalpur are barely engaged in any activities as mentioned in the WCs rules since the roles and responsibilities of the committees and the financial allocation is not made clear or specified to them either.

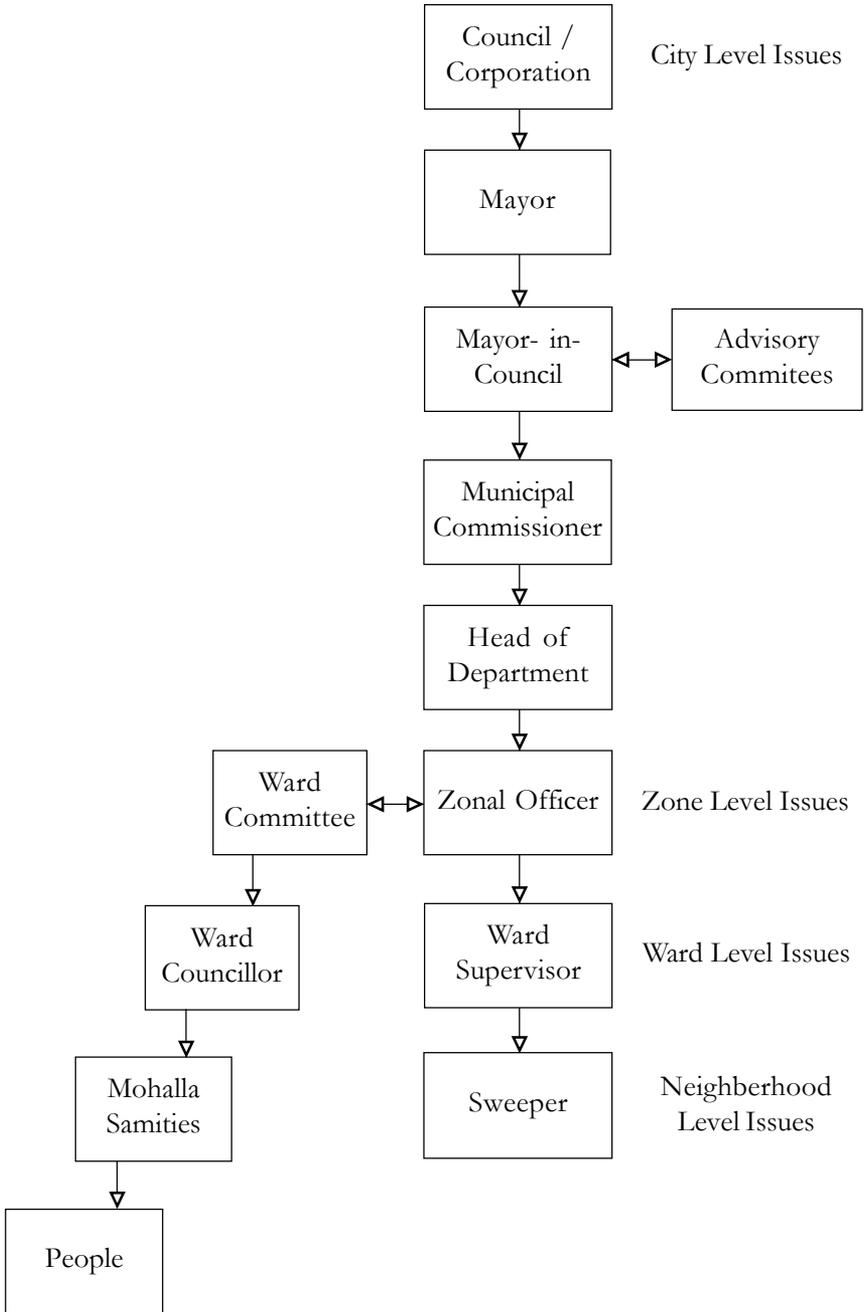
## **2.6 Role of Ward Committees in the Decision Making**

### **Process in the Municipal Corporation and in Preparation of Budgets**

The decision making process in Municipal Corporation can be divided into two stages. Firstly, the processes of making strategic decisions like, prioritization of services, preparation of budget, and other policy decisions. In democratic system, the elected wing of the government makes these decisions. The decisions related to planning, designing, execution, and operation and maintenance are taken by the executive wing of government.

The interactions between elected and executive wing as per prevailing legislations have been shown in the figure 1. The figure shows how the government and people are related in this process and how decisions are made at various levels.

**Figure 1: The process of decision making in Madhya Pradesh as per the Municipal Corporation act of 1956.**

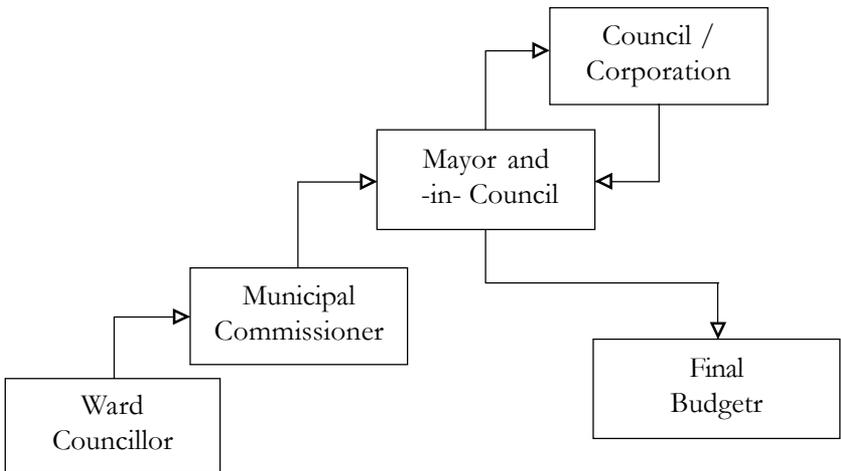


Following observations were made with respect to the implementation of this process:

- Regular meetings of Ward Committees are currently not taking place.
- Mohalla Samitis are yet to be formed.
- Access to minutes of meetings of council, ward committees, M-I-C and Advisory committees are restricted for public.
- People are not taking much interest in attending these meetings, making the process unidirectional.

Preparation of budgets is drawing of statements of likely income and expenditure for the next year. In the process of preparing budget, each of the Ward Committee is expected to send proposals for specific projects for their respective zones by the end of October (in an year). (See figure 2) Simultaneously, the officers at Zonal office also send proposals for various works in respective departments in their zones. The Commissioner then prepares a budget.

**Figure 2: Preparation of Budget**



This suggests the difference between the legal process of making decisions and the actual prevailing procedure. In practice, the role of Ward Committee is not clear and the Councilors expend from the fixed amount set aside in each budget for the works they consider important. This indicates low level of people's representation in decision-making process in Jabalpur through ward level management.

## **2.7 Financial Allocation to Ward Committees**

In every Budget certain amount of funds are provided to Councilors and Ward Committees, to be spent on '*works recommended by Councilors and Ward Committee*'. These works account for around 60% of total development expenditure. For improving sanitary conditions in the city, the money is used for construction and repair of drains, public toilets, urinals and waste depots. However in the absence of any specific citywide policy, the expenditures often remain ineffective.

It was observed that some of works of road construction, drain construction etc. were left incomplete due to shortage of funds. These works could never be completed thereafter. The Councilors and ward committees act as an intermediary between people and the government. However, the financial allocations to ward committees are not adequate for sanitary infrastructure. The works are often not completed due to shortage of funds.

## **2.8 Governance for Sanitation**

### **Jabalpur Municipal Corporation and People's Representation Through Ward Committees.**

In Jabalpur, Municipal Corporation is the prime agency, which is responsible for making adequate provisions for various services. However, there are many other committees/agencies that are also involved in sanitary waste management, partly or fully.

**Figure 3: Process Of Budget Preparation – Actual Vs. Ideal**

<i>Legal Procedure</i>	<i>Actually Practiced</i>
Electing Councillors to represent their needs and problems in Council.	Electing Councillors to represent their needs and problems in Council
Precieve Problems of People and recommend works to solve them.	Expend from the fixed amount allocated in every budget for works by councillors
To prepare and send its proposals to the Municipal Commissioners.	No activity of ward committee was be observed. Ward committees are not very effective.
Assist Ward Committee on various issues and Send recommendations to respective departments for any specific work (if required)	Send recommendations to respective departments for any specific work (if required)
Estimate Income and expenditure. Commissioner may make recommendations on taxation, expenditure etc.	Estimate Income and expenditure. Commissioner may make recommendations on taxation, expenditure etc.
Consider the budget prepared by commissioner and make such modifications and additions as required and Submit the budget to Corporation.	Consider the budget prepared by commissioner and makes minor modification before submitting the budget to Corporation.
Refer the budget estimates back to M-I-C for further consideration or adopt the budget estimates or submit revised budget estimates to M-I-C	Refer the budget estimates back to M-I-C for further consideration or adopt the budget estimates or submit revised budget estimates to M-I-C

In this course Ward Councilors and Ward Committees are the representatives of people in decision-making process. Since the Municipal Corporation Act, 1956, empowers the Corporation to make appropriate arrangements for public health and safety. The Act through its number of clauses has empowered Corporation to protect the health of its people and to conserve the environment of the city, and after the 74<sup>th</sup> Constitutional amendment act, the Councilors and Ward Committees formed at each of the zones are the bodies representing the citizens

However, as per issues and problems identified by *UNDP* (1998) in relation to decentralization: Democratic Representation and Ward Committees are a major cause of concern in this respect. The present system of 'vote with your feet' prevailing in India has resulted into considerable damage towards public accountability and voice. The measures like Ward Committee often fails to capture the people's need and have become largely ineffective. The level of representation in Ward Committees varies from states to states. These Ward Committees are not functioning properly in many parts of countries and suffer from problems like financial problems, inadequate capacities, lack of vision, etc. They act mainly as public auditors in development process.

Similarly in Jabalpur poor governance is one of the major causes for poor sanitation. The study has identified specific governance issues with respect to functioning of certain service bodies like ward committees in particular, in Jabalpur, which are responsible partially or wholly for poor state of sanitary waste management in the city.

The role of Ward Committees is very limited. Every councilor is provided with a fixed amount used for capital works

recommended by Councilors<sup>3</sup>. These works are not integrated and are much localized in nature like construction of small drains, roads, public toilets etc. in a slum or colony. The Mohalla Samitis have yet not been formed in the city.

Following issues are specific to functioning of current level Ward Committees in Jabalpur city.

- The financial allocations to Councilors are not adequate for sanitary infrastructure resulting in to non-completion of works initiated by Councilors.
- Lack of integration of works done in various zones and between the zones.
- No regular meetings between Councilors of ward committees and electorate.

### **Decentralization is Incomplete and Ineffective**

The decentralization from City to Zones and to wards started in year 2001-02. However, decentralization below municipal levels to Ward and Mohalla level has not yet been achieved completely. Also, the coordination between Zonal level offices and ward level committees is still poor. The Ward Committees are yet not fully functional. There is a need to smoothen the relations between Ward Committees and Zonal Officers. The city has Ward Committees but the constitution of Mohalla Samitis is under consideration

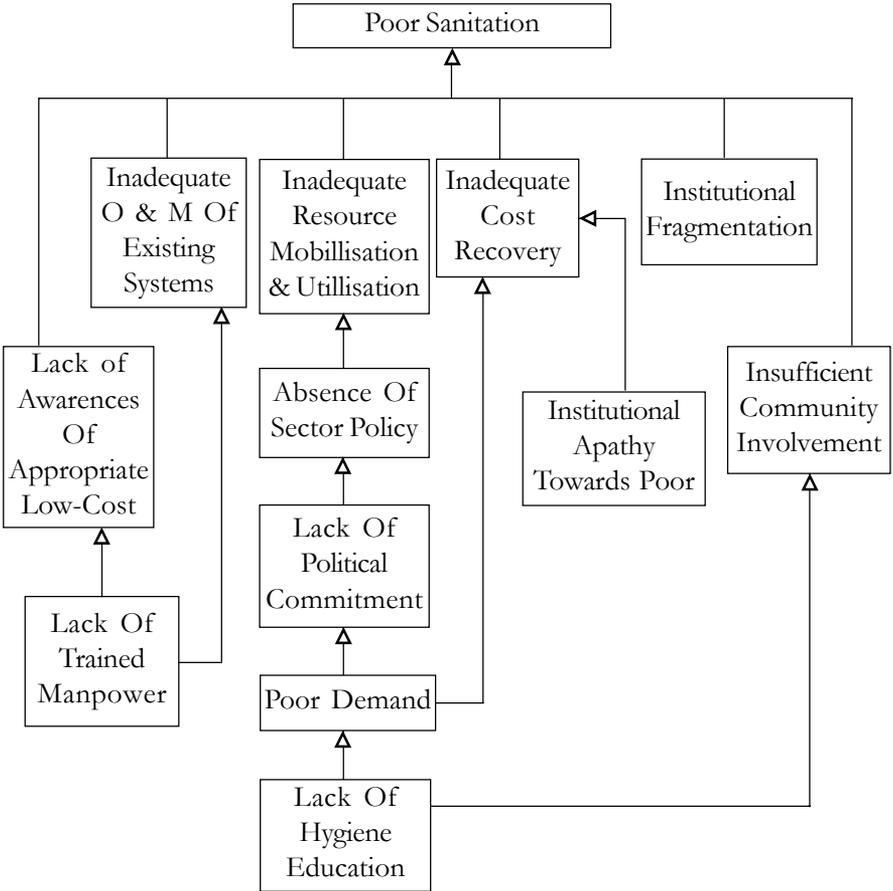
Resultantly there are lots of problems in service delivery. The infrastructure services in the city are not uniformly distributed and variations across the wards, zones and income groups can clearly be observed. There are many vacancies of sweepers that are required to be filled. Similarly there is shortage of

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<sup>3</sup>The Ward Committee comprises of every elected Councilor representing a ward within the territorial area of a Ward Committee.

supervisory staff. There are major issues concerning sanitation like, low expenditure on technological upgradation in health department; poor resource mobilization; improper utilization of funds; and high dependence on external sources of income delaying the sewerage system for the city since past 15 years, etc. (Figure 4).

**Figure 4: Bad Governance**



**2.9 Recommendations**

Following actions could be helpful in improving decentralized urban governance through accountable ward level management in a million plus city like Jabalpur:

## **Role of Councilors and Ward Committee**

The political and executive powers shall be balanced. This could be achieved by following measures.

- Ward Committees shall be constituted at each ward and regular meetings of each such committee shall be held to discuss the development aspects. The role of Ward Committees should be clearly defined and they should be given powers to question the officials at Zonal level and must receive their assistance.
- Ward Committees shall also act as a monitoring and evaluating agency for the projects undertaken within its territory.
- Mohalla Samitis shall be formed within each ward. The Ward Councilors are expected to identify the problems faced by residents of ward through these Mohalla Samitis.
- Ward Committee shall approve the works recommended by Councilors and those recommended by Ward Committee shall at least be reviewed by Mayor-in-Council member of concerned department. This will ensure integration of works at various levels.
- Councilors should act as a link between people and government and vice-versa. They shall help in restoring faith of people in government. They can be part of various awareness programs of Municipal Corporation.
- The role of Mohalla Samitis, Ward Committee, Mayor-in-Council and Council shall be enhanced. The decisions made at each level shall be publicly declared and full transparency shall be practiced.

## **Participatory Decision Making Process**

- In this process, the first step would be to constitute Mohalla Samitis in each of the wards. The meetings of Mohalla Samitis will be chaired by Councilor assisted by a secretary, appointed by Corporation, at regular intervals of 15 days to discuss ward level issues. The decisions taken by Mohalla Samitis shall be displayed and published so that residents in the city will know the actual process. Also the minutes of these meetings shall be accessible to citizens. Mohalla Samitis will interact with field workers in their area, while the Councilors will deal with ward level officers.
- The next step would be to ensure the constitution of Ward Committees and its conduct of business. The meetings shall be held in every 15 days. The Ward Committees shall give explanations regarding various issues discussed in meetings of Mohalla Samitis. Also it shall prepare its own agenda for action. This shall also be made accessible to citizens and displayed at least in respective Zonal offices. The Ward Committees shall send its proposals and decisions to Municipal Commissioner. Municipal Commissioner will convey the proposals to Mayor-in-Council who shall take actions as required. The M-I-C shall also interact with the Departmental Committees for problems of service delivery and the Departmental Committees shall closely work with respective Departmental heads.
- These Departmental heads will finally take actions reaching the respective zones and wards. The meetings of Departmental Committees shall be held at least once in every month. The Council will ensure that this system of governance is followed and shall bring to notice any discrepancy or deviations.

## 2.10 Conclusion

The study reveals that although as per the WC rules, these committees have been formed their functioning and existence is bare minimum, and thus its accountability and efficacy too. Good governance implies participation and, consensus orientation; lack of which is clearly evident in the functioning of WCs, with irregular conduct of meetings and Mohalla Samitis yet not formed. Despite the provisions stated in the WC rules, the WCs don't have any financial powers to generate resources on their own, neither have much allocation of resources from the municipality for taking up any developmental work. Also the local people are not generally interested to take part in the WC activities with regularity and sincerity. Furthermore, the performance of the WC depends to a great extent on the initiatives of ward councilor. Thus the current nature of ward level management in India as reflected through a million plus city of Jabalpur highlights the gaps in a decentralized management structure which if plugged at the right places would ensure, effective provision of urban basic service like sanitary services through the involvement of those who are directly affected, because of these discrepancies.

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# ABOUT CENTRE FOR CIVIL SOCIETY

## THE POWER OF IDEAS

The Centre for Civil Society is an independent, non-profit, research and educational organisation devoted to improving the quality of life for all citizens of India by reviving and reinvigorating civil society. It was established on 15 August 1997.

India got her political independence in 1947 from the British state, but we still do not have complete social, cultural and economic independence from the Indian state. We aim to limit the domain of the state and make more space for civil society.

We champion limited government, rule of law, free trade, and individual rights. We are an ideas organisation, a think tank that develops ideas to better the world. We want to usher in an intellectual revolution that encourages people to look beyond the obvious, think beyond good intentions, and act beyond activism.

We believe in the individuality and dignity of all persons, and their right to life, liberty, and pursuit of happiness. We trust their judgment when they cast their vote in a ballot box and when they spend their money in a marketplace.

We are driven by the dream of a free society, where political, social, and economic freedom reigns. We are soldiers for a Second Freedom Movement.

Our *Livelihood Freedom Test* calls to test all existing and new rules and regulations for their impact on the freedom to earn an honest living. Does any law of the city restrict

opportunities of any person to earn an honest living, particularly the one that requires little capital or skills? If so, then Review, Revise, or Remove.

The *Education Choice Campaign* is aimed at policy change in order to give education subsidies directly to the students, who would be able to choose the school they would like to attend. This will increase competition among schools and lead to better educational services. Fund Students, Not Schools. Join the Education Choice Campaign at [www.ccsindia.org](http://www.ccsindia.org)!

CCS is creating awareness about *Ward Level Management*, where many of the current services, provided by the state and the Municipal Corporation, can be more effectively delivered by Ward Committees to their respective Ward. Decentralisation of services would bring transparency and accountability into the system.

The *terracotta approach* to environment, promoted by CCS, emphasises on the property right approach to protecting the environment.

CCS also conducts active research on globalisation, livelihood and rule of law.



**Parth J Shah** is founder president of Centre for Civil Society, New Delhi, a think tank for public policy solutions within the framework of rule of law, limited government, and competitive markets.

Parth's research and advocacy work centres on the themes of economic freedom (law, liberty, and livelihood campaign), choice and competition in education (fund students, not schools), property right approach to the environment (terracotta vision of stewardship), good governance (new public management), and rule of law (tort reforms for consumer health and safety). He has conceptualised and organised pioneering liberal educational programs for the Indian youth: Liberty & Society Seminar, Liberty, Art & Culture Seminar, Researching Reality Internship and Fellowship. He has edited and co-edited several books and writes regularly for newspapers and magazines.



**Makarand Bakore** is a Research Associate with the Centre for Civil Society. His work focuses on urban governance. He is the co-editor of the book *A Handbook on New Public Governance*. He holds a Bachelors degree in Computer Science, a Masters degree in Business Administration and he is currently pursuing a Masters program in Political Science at University of Mumbai.

Ward Power is a collection of papers presented at the one-day conference 'Ward Power: Reforms in Urban Governance' held on 10 June 2005 at Jawaharlal Nehru University, New Delhi. The event was organised by Centre for Civil Society in association with Centre for the Study of Law and Governance, JNU and co-sponsored by Janaagraha, Bangalore.

The participants discussed the effectiveness of the 74<sup>th</sup> Amendment to the Constitution and its implementation in various parts of India. The day concluded with a panel discussion comprising of experts like Shri Wajahat Habibullah (Ex-Secretary, Ministry of Panchayati Raj), Mr. K.C. Sivaramakrishnan (Visiting Professor, Centre for Policy Research), Dr.G.S. Bhalla, (Prof. Emeritus, Centre for the Study of Regional Development, JNU), and Mr. Sanjay Kaul (President, People's Action).

The event saw participation from institutions such as UNDP, World Bank, IGIDR, NIUA, Annamalai University, Prayas, Priya, Centre for Media Studies, NIPFP, IIPA, School of Planning and Architecture, People First, People's Action, National Foundation for India, and several other civil society organisations and universities. Over 80 participants attended the workshop.

The papers cover a wide range of topics including functioning of Ward Committees and ideal Ward level management along with various case studies.



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