



Bihar State Level Consultation on Urban Governance Reforms 2022

The vision of the Urban Development and Housing Department (UDHD) of Bihar is to achieve coherent, homogeneous, comprehensive, faster and sustainable growth in Bihar. They aim to do this through an all-inclusive approach toward the development of cities/towns into liveable, economically vibrant, productive, sustainable and efficient entities. To ensure this, provision of adequate and durable public infrastructure and amenities including affordable housing and livelihood opportunities for all sections of society is vital. Bringing out efficiency in the service delivery mechanisms, community participation and accountability of city governments and parastatal agencies towards citizens are other significant parameters.¹

Praja Foundation initiated a dialogue through the State Level Consultation on Urban Governance Reforms in Bihar, on 20th July 2022 in Patna. The reforms necessary to improve urban governance in the cities of Bihar were outlined in the consultation. This initiative aligned with the vision of the UDHD of Bihar. It was attended by 15 participants including the Deputy Chief Minister, Finance Minister and Urban Development Minister of Bihar, Members of Bihar Legislative Assembly, and former Member of Bihar Legislative Council. Civil Society Organisations and youths from colleges also attended the consultation. The objectives of the consultation were to:

1. Discuss and identify the reform agenda to be implemented in Bihar
2. Identify advocacy pathways toward implementing the reforms in Bihar

This advocacy initiative is hinged on data-based evidence of the gaps in the urban governance structure for Bihar as outlined in the Urban Governance Index (UGI) 2020 report published by Praja Foundation. The UGI is primarily a mapping undertaken over three years that stretches across 28 states and the National Capital Territory (NCT) of Delhi, on indicative themes of democratic empowerment and accountability pertaining to urban governance. The ranking has been done through a framework comprising of four themes, 13 sub-themes and 42 indicators. The four themes are **Empowered Elected Representatives** and **Legislative Structure, Empowered City Administration, Empowered Citizens** and **Fiscal Empowerment**.

In Praja's UGI, Bihar has secured a rank of 10 (out of 29). However, the score secured by the state is only 36.19 out of 100, which indicates a dismal state of urban affairs. Thus, Bihar still has a large scope towards strengthening its urban governance system.



The participants of the consultation discussed and built consensus for implementing the underlying Reform Agenda to empower urban governance in Bihar:

- It is observed that the newly elected councillors need two-three years to understand the procedure of working of the corporation, the municipal corporation act, the budget processes and departments due to absence of a robust training system. Therefore, provision for **regular and mandatory trainings for councillors** under the state municipal act of Bihar should be drafted, approved, and strictly implemented.

- Cities are complex systems and specialised skills are required to run and manage them. There is a need to form a **special municipal cadre** having the required skills.
- The Annual Performance Assessment Report (APAR) is known as Confidential Report (CR) in Bihar. For officials at the B and C level in the corporations, it may be written by the mayors of the cities.

The series of dialogues led to suggestions given by the then Deputy Chief Minister and Minister, Urban Development and Housing Department and Members of Legislative Assembly (MLAs):

- Structured and regular training for Councillors should be conducted.
- Capacity building of officials at the corporations and parastatal agencies should also be done through regular and structured trainings. This will ensure effective functioning of metropolitan cities as well as smaller city governments.
- There should be a study of why 18 functions mentioned in the Twelfth Schedule of the 74th Constitution Amendment Act, 1992 were not completely devolved.
- The implementation of policies, programmes and planning at the ward level should be done with the involvement of ward committees and councillors to ensure participation of the citizens; for e.g., ‘Mukhyamantri Shahri Gali-Nali Pakkikaran Nishchay Yojana’ was implemented through ward committees in Patna.
- Engineering section should have an independent cadre. This reform will ensure skilled persons in the engineering section of the corporations.
- Election of Mayor shall be made Party-wise to have better coherence in the Municipal Corporation.
- Complaint management and sanitation awareness is being done and should be put in priority.
- Urban planning and development should be implemented in a systemic way, like storm water drainage (SWD) was implemented in three phases in Patna for flood control.

Recent urban governance reforms in Bihar

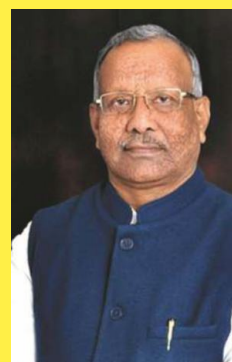
Praja had conducted an urban governance study in Patna in 2019 and published the UGI in 2020. One of the important urban governance reforms took place post publication of the UGI:

- According to the January 2022 amendment of the Bihar Municipal Act (BMA), 2007, heads and deputy heads of city government in Bihar will now be elected directly by voters, in a key shift from the prevalent practice of indirect elections.² This reform will ensure a 5 years term for the Mayor.

Some of the suggested reforms that Praja Foundation has given in the Bihar State level Consultation are:

1. Empowerment of City’s Elected Representatives and Legislative Structure:

- The mayors should have executive authority over the commissioner, and be the head of the apex committee. They should have independent authority to appoint the chairperson of the subject/standing committees. The mayors in Bihar should be given these powers so that they can exercise their vision towards the development of their cities in a more effective and meaningful way.
- To empower the Councillors and the Council, Bihar Government should conduct regular and structured training for the Councillors of city government across the state, especially for the first term elected councillors, to familiarise them with the working of the corporation.
- According to Section 19 of the Bihar Municipal Act (BMA), 2007 the Councillors of the Municipal Corporations receive an honorarium for attending meetings. However, they do not receive allowances for office expenses and designated staff. The Councillors should be remunerated with resources such as office and staff to perform their duties efficiently²⁴*7.



“Many reforms have been identified by Praja Foundation through their study in the sphere of urban governance. The views shared by Praja will act as a guide for our government, for the Urban Development and Housing Department for bringing better governance to the citizens.”

Shri Tarkishore Prasad

ex-Deputy Chief Minister and ex-Minister, Urban Development and Housing Department

2. Empowerment of City Administration:

- The Bihar State Government should draft and approve standard Corporation Procedure Rules (CPR) for effective discussion and deliberation for the city government.
- Along with the formulation of CPR, a training and handholding program should be outlined to support the Municipal Corporations to practice the provisions and processes outlined in the CPR.
- The Bihar government needs to make the city government the sole coordinating authority for functions of local importance and devolve all the 18 constitutionally mandated functions to the city government.

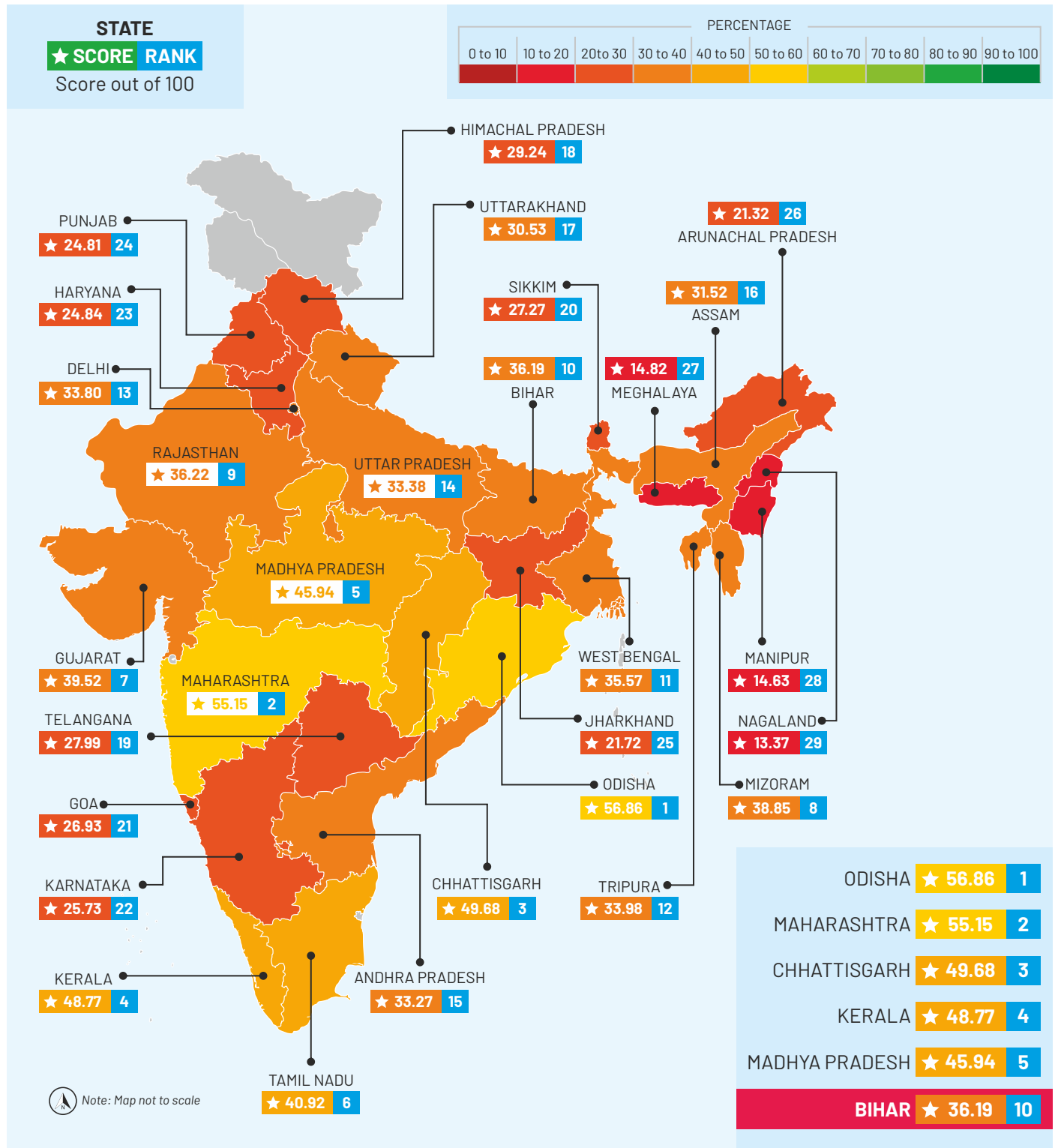
2: <https://www.hindustantimes.com/cities/patna-news/bihar-set-to-hold-direct-elections-for-mayors-key-posts-in-urban-bodies-101641399743415.html>

3. Empowered Citizens:

- The city governments in Bihar should have an e-Governance portal which includes open data portal, complaint management system and online transaction system.

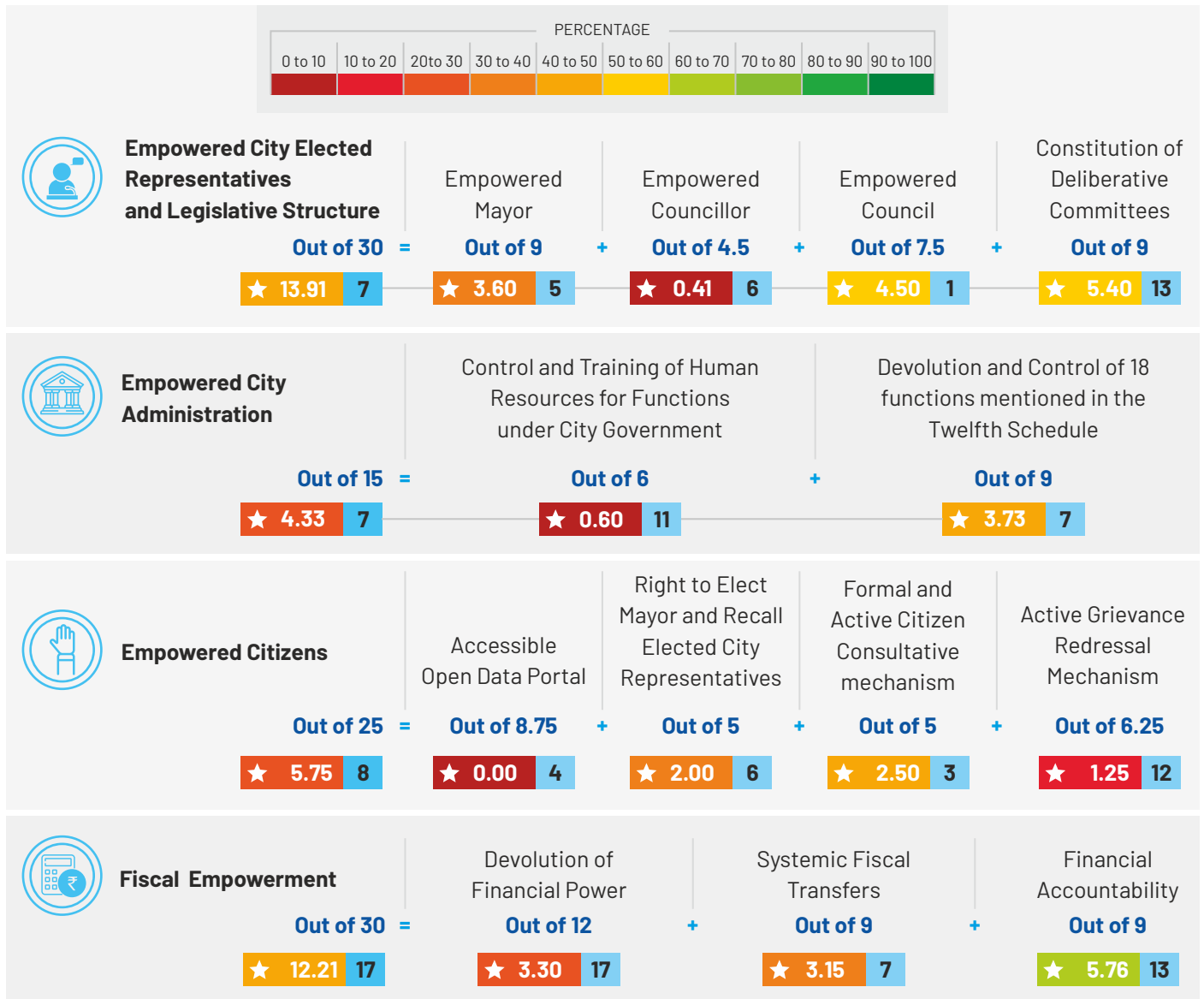
4. Fiscal Empowerment:

- The city government should have independent authority to introduce new taxes/charges.
- The city government budget should include the budget statements of all parastatal agencies operating in the city.
- City Government should receive a direct percentage share of GST.



Presently, Bihar ranks 10th (out of 29) with a score of 36.19 out of 100. However, to improve their rank and performance in Urban Governance, the Bihar Government must take active efforts to facilitate the reforms mentioned above.

STATUS OF URBAN GOVERNANCE IN BIHAR:



UGI Hindi	Need for UGI	Bihar Urban Governance Report	Bihar Urban Governance Reforms
			

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