



# PRAJA'S URBAN GOVERNANCE STUDY

WEST BENGAL  
CONSULTATION

Date: 31<sup>st</sup> January, 2019



### **Summary:**

The discussions revolved around understanding the key problems facing cities in West Bengal and possible solutions surrounding these issues. The stakeholders stressed on making city governments empowered with funds, functions and functionaries and reduce dependency on State governments for efficient service delivery. The participants acknowledged the importance of 74<sup>th</sup> Constitution Amendment Act (CAA). The themes covered in the discussion were status of devolution of 18 Functions as per 74<sup>th</sup> Constitution Amendment Act, Organizational Structure, Resources and Municipal Finance. Presented below are summary of the views of various urban governance stakeholders that were a part of the West Bengal State level consultation.

### **Status of devolution of 18 Functions as per 74<sup>th</sup> Constitution Amendment Act**

Out of the 18 functions, only 4 are completely devolved to the city government, 11 are handled by multiple agencies and 3 are completely under state control. Stakeholders agreed that there were some functions under the control of state government that were causing coordination issues especially fire services.

### **1. Organisational Structure**

The session discussed the Mayoral System, role of Councillor, Committee, multiple agencies, urban reforms and the need for changes to enhance Urban Governance in West Bengal.

#### **1.1 Mayoral System**

West Bengal has a Mayor-in-Council system which works along the lines of the cabinet form followed in State and Central governments. Stakeholders highlighted that the Mayor had the final signing authority on all projects sanctioned in the name of Kolkata Municipal Corporation and that this were one of the good and democratic practices followed.



### **1.2 Role of Councillor**

Stakeholders highlighted that the councillors honorarium was really low only Rs. 4250 per month to carry out activities of the corporation. Participants agreed that councillor fund was useful to carry out work in the wards. They validated that Councillor fund was different from the borough integrated fund. For the use of Councillor fund, the individual councillor has exclusive jurisdiction. The Borough integrated fund is up to the discretion of the members of the borough committee together and not solely the Chairperson.

### **1.3 Ward Committee**

The participants confirmed that there were ward committees earlier which were disbanded as the Borough committees were better suited to carry out similar functions at the zonal level. Some were of the opinion that ward committees are not required in Kolkata, and work better in smaller cities. Having it at the constituency level was up to the councillor, otherwise is not feasible.

### **1.4 Multiple agencies**

Stakeholders agreed that the presence of multiple agencies did create problems of coordination. However the Mayor-in-Council resolved issues through regular meetings with concerned departments. Within the framework of any Act concerning carrying on business within the corporation, it has absolute authority to make decisions as a fully autonomous body. Only if there is any amendment required to the Act does it go to the state for amending.

### **1.5 Urban Reforms**

Central Schemes like AMRUT and Smart City Mission have not been implemented in West Bengal. According to the stakeholders Kolkata does not even qualify for the AMRUT and Smart City parameters to have access to the grants, so it wasn't much of an option.



### **2. Resources**

#### **2.1 Manpower**

In West Bengal, the recruitment of manpower is done through an autonomous body under State Government called West Bengal Municipal Service Commission. There is an understanding between the corporation and the body, and they coordinate for hiring of manpower. It is a convention followed that State will carry out competitive exams, help recruit manpower and bear the salary component of the corporation.

### **3. Municipal Finance**

#### **3.1 Budget & Sources of Revenue**

The budget of the corporation suffers from poor revenue collection despite having adequate sources. E-governance measures have been introduced since 2008, 19 state of the art e-collection offices are present yet there is inefficiency in tax collection, especially property tax. Though the unit area system was created where properties are categorised on certain parameters, the old system still continues.

Some the suggestions for better revenue collection put forth by stakeholders was the need for regularization of illegal areas. Water fees which are not being collected- is an area to explore for more income. Currently there are no benchmarks or targets on the collection of taxes, stakeholders believed that while KMC cannot penalise it can put yardsticks for collection. Penalties should be enforced on the defaulter; the corporation does have this power there is provision to encroach/confiscate property on default.

The stakeholders mentioned that the budget consciously ensured that major capital works are not a part in borough funds. There is a conscious decision to have higher allocation of funds for the new added areas (Wards 100-144) as they were added later into the corporation's jurisdiction so there would be greater funds available for its upgradation. Stakeholders confirmed that there has been no impact of GST, as the corporation's income is almost exempted from GST, what was earlier VAT has simply been replaced by the GST rates.



### **3.2 Financial Powers of the Corporation**

Power to sanction projects up to 5 lakhs is with commissioner, 5 lakhs to 1 crore with Mayor-in-Council and all projects above 1 crore to the city assembly and this power is not truncated. It an autonomous body therefore the state does not intervene in project sanctioning. Have added a caveat that finalisation of some tenders may require state intervention where it may be a matter of concern but the state's role is only to recommend, and it is not the sanctioning authority.

There is no dependency the State rather it's the constitutional obligation of the state to provide funds under its federal duties. The corporation gets 40% of its revenue from the State through Grants-in-aid. State has always been meticulous in timely distribution and allocation of funds to the local bodies. Even in 2000-2005 when there were different parties in the State government and city government there were no issues because the roles are clearly defined and KMC is fully autonomous.

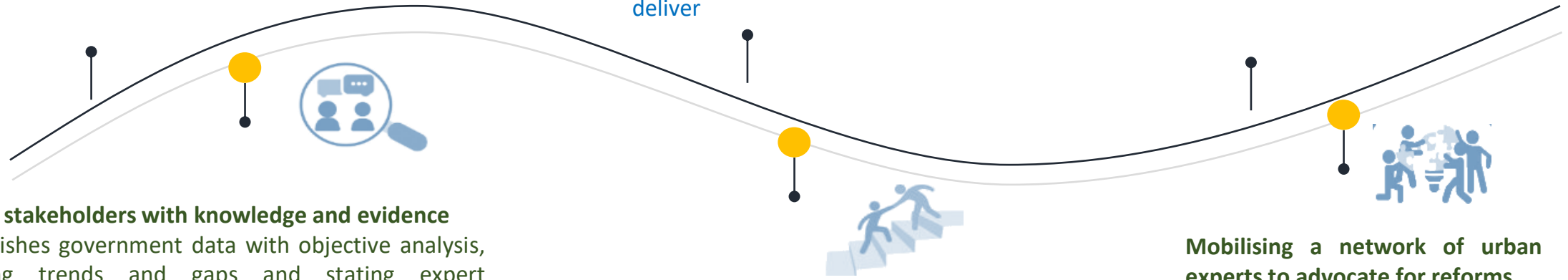


# Over the past two decades Praja has been devoted to bringing transparency and is now embarking on an ambitious journey to transform urban governance

1 Citizens experience poor quality of services and shortage of basic infrastructure like clean water, sanitation, health & education facilities, affordable housing and public transportation. Elected representatives don't have access to data or quality standards to push for improvements

2 Lack of empowerment of local elected representatives to hold the executive accountable coupled with the inadequate skills, knowledge and leadership to be able to effectively deliver

3 City governments are responsive to the needs of the citizens but they are not future-ready



### Equipping stakeholders with knowledge and evidence

Praja publishes government data with objective analysis, highlighting trends and gaps and stating expert recommendations for change, and also create parameters to gauge the quality of urban infrastructure and service delivery



Availability of data and service delivery index provides higher transparency

### Engaging Stakeholders

Praja will build local elected representatives' capacity by both increasing their knowledge and developing their skills. Praja would advocate for democratization of city governments with clearer accountability structures.



Elected city government can appoint, monitor, review and take action against city service providers

### Mobilising a network of urban experts to advocate for reforms

Praja will be nurturing visionary leadership of elected representatives to plan, mobilize and allocate resources coupled with strengthening of citizen participation

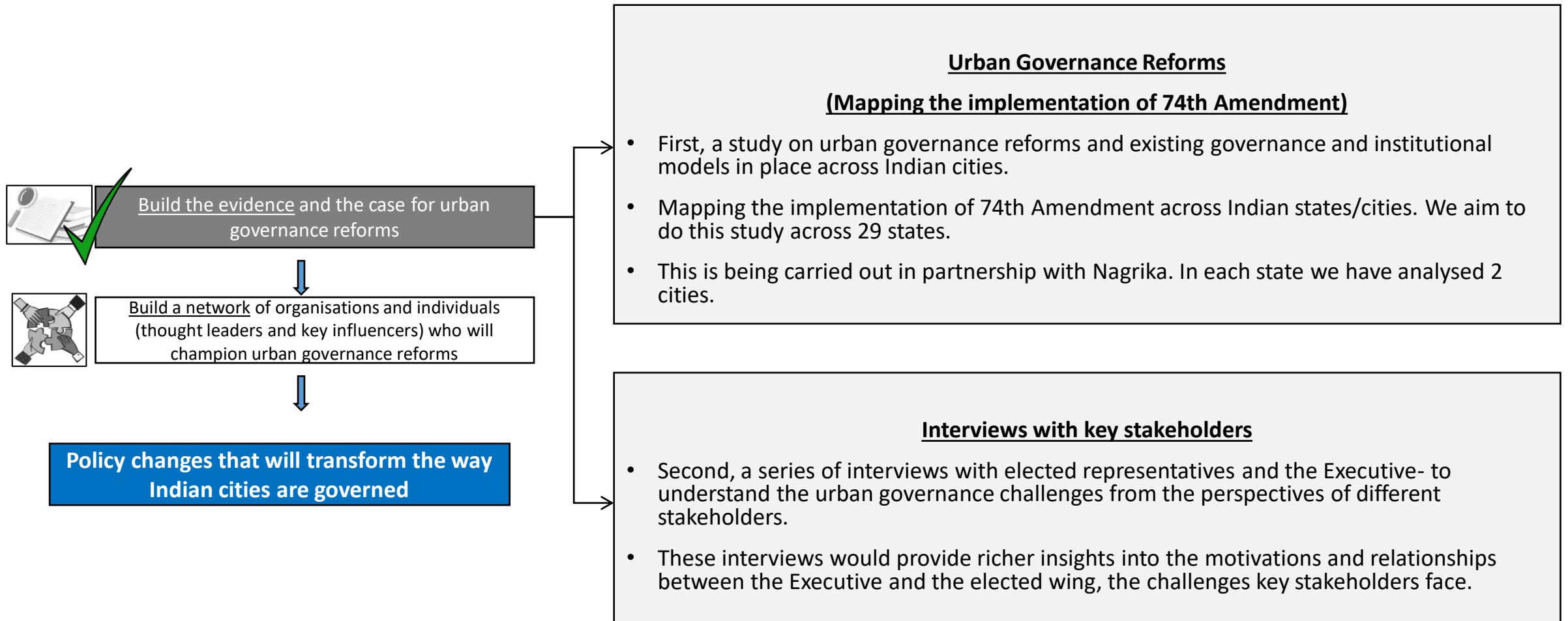


Improved quality of life in Smartly governed cities, with active citizenry

- Problem
- Solution
- Outcome

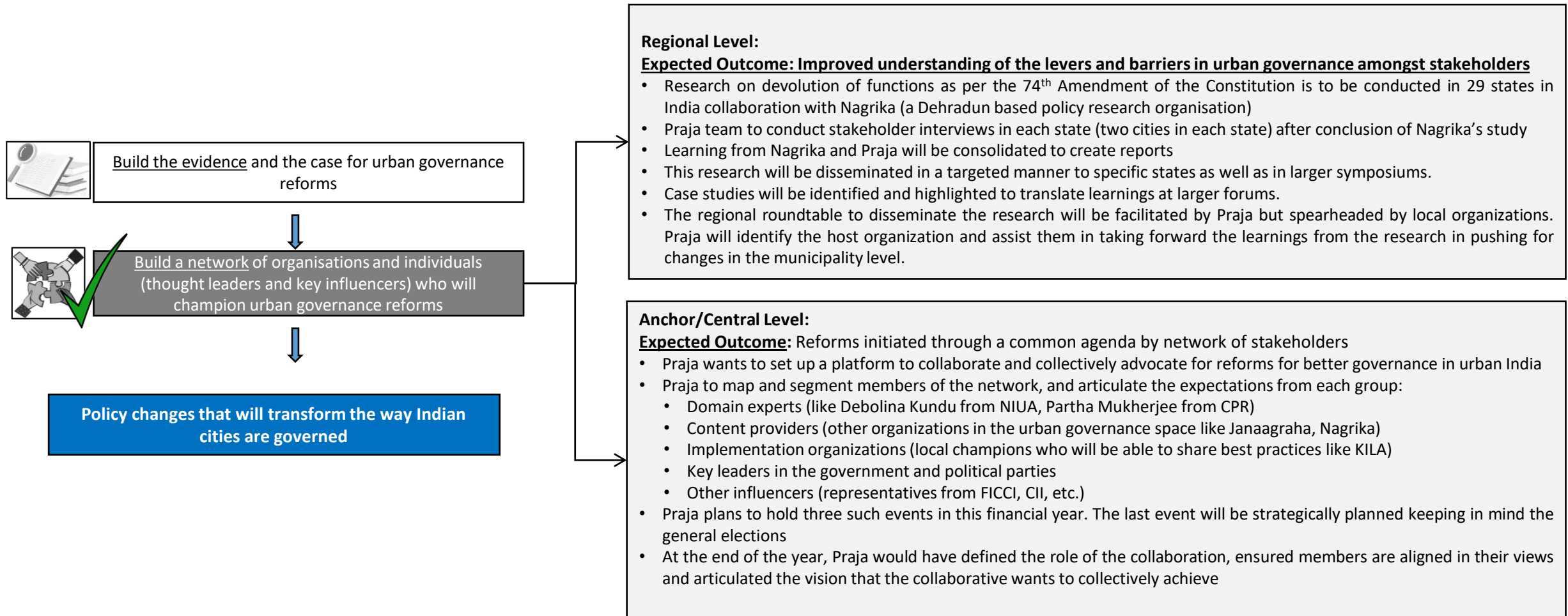


Praja's research encompasses understanding the 74<sup>th</sup> Amendment and the different stakeholder perspectives around it



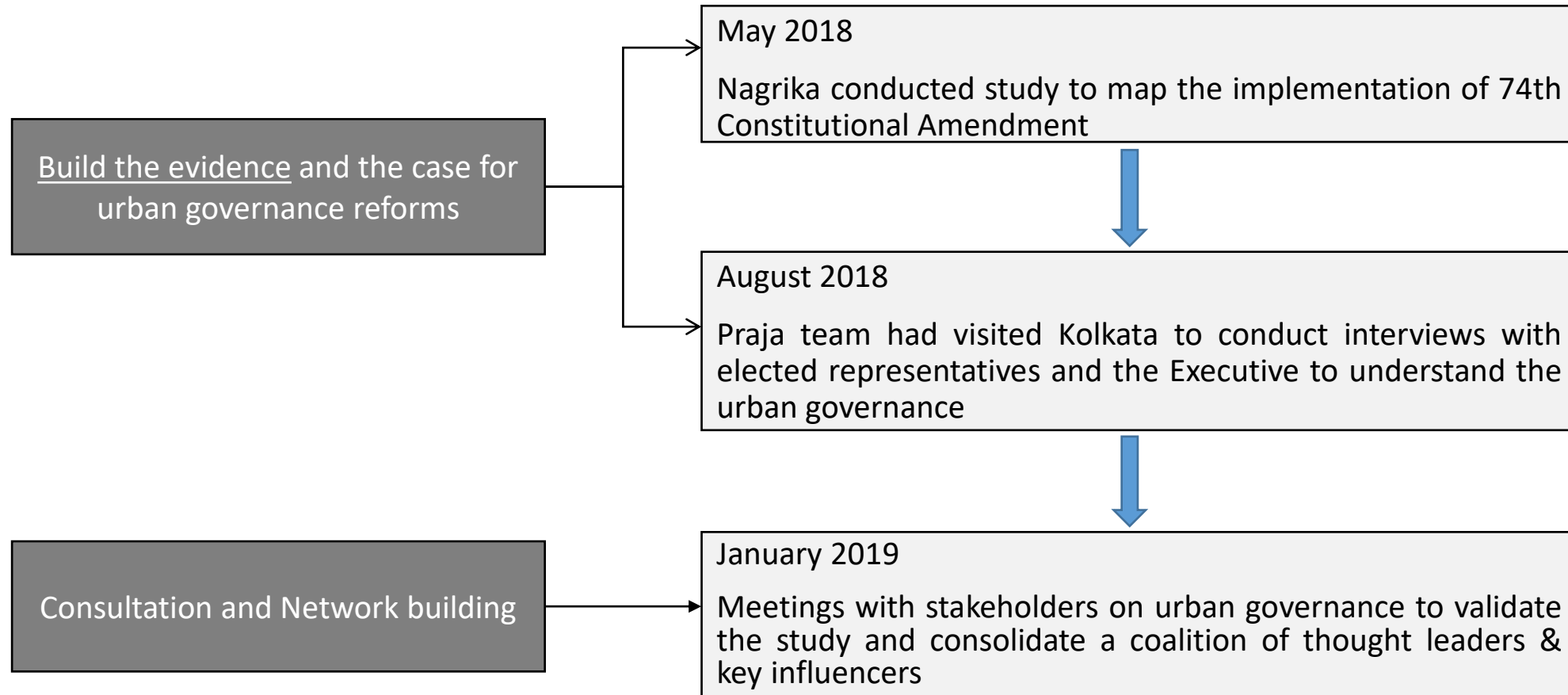


## For building the network, Praja is working both at the regional and central levels





## The timeline of the study



No.	Functions listed in 12 <sup>th</sup> Schedule	West Bengal
1	Urban Planning including town planning	Town Planning (KMC), Planning & Development (KMC), Dept. Of Planning (WB Govt.), Urban Development & Municipal Affairs Department - Urban Development Branch (WB Govt), KMDA (WB Govt.)
2	Regulation of land-use and construction of buildings	Town Planning (KMC), Planning & Development (KMC), Assessment & Collection (KMC), Building (KMC), Land & Land Reforms (WB Govt.), Dept. Of Planning (WB Govt.), Urban Development & Municipal Affairs Department - Urban Development Branch (WB Govt), PWD (WB Govt.), KMDA (WB Govt.), HIDCO (WB Govt.), MED (WB Govt.)
3	Planning for economic and social development	Social Welfare & Urban Poverty Alleviation (KMC), Market (KMC) Dept. Of Planning (WB Govt.), Department of Women Development and Social Welfare (WB Govt.)
4	Roads and bridges	Engineering – Civil (KMC), Roads and Asphaltum (KMC), PWD (WB Govt.)
5	Water supply- domestic, industrial and commercial	Water Supply (KMC)
6	Public health, sanitation, conservancy and WM	Health (KMC), Sewage & Drainage (KMC), Solid Waste Management (KMC), Health and Family Welfare (WB Govt.),
7	Fire services	Fire & Emergency Services (WB Govt.)
8	Urban forestry, protection of environment and ecology	Environment Dept. (WB Govt.)
9	Safeguarding the interests of weaker sections society including the handicapped and mentally retarded	Social Welfare & Urban Poverty Alleviation (KMC), Department of Women Development and Social Welfare (WB Govt.), West Bengal Minorities' Development & Finance Corporation (WB Govt.), Minority Affairs and Madrasah Education Department (WB Govt.), Backward Classes Welfare Department (WB Govt.), Tribal Development Dept. (WB Govt.),
10	Slum improvement and upgradation	Bustee Services (KMC), Engineering – Civil (KMC), <i>Housing Dept. (WB Govt.)</i> ,

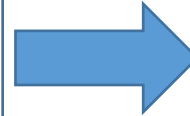
11	Urban poverty alleviation	Social Welfare & Urban Poverty Alleviation (KMC)
12	Provision of urban amenities and facilities- parks, gardens and playgrounds	Parks & Squares (KMC), Youth Services and Sports (WB Govt.)
13	Promotion of cultural, educational, and aesthetic aspects	Project Management Unit/Heritage Home (KMC), Education (KMC), Dept. Of School Education (WB Govt.), Dept. Of Higher Education, Science and Technology and Biotechnology (WB Govt.), Technical Education, Training and Skill Development Department (WB Govt.), Department of Mass Education Extension & Library Services (WB Govt.), Minority Affairs and Madrasah Education Department (WB Govt.)
14	Burials and burial grounds, cremations, cremation grounds and electric crematoriums	KMC
15	Cattle pounds, prevention of cruelty to animals	Animal Resources Development Dept. (WB Govt.)
16	Vital statistics including registration of births and deaths	Central Records (KMC), Department of Statistics & Programme Implementation (WB Govt.)
17	Public amenities including street lighting, parking lots, bus stops and public conveniences	Lighting (KMC), Car Parking (KMC), Engineering – Civil (KMC), Transport Dept. (WB Govt.)
18	Regulation of slaughter houses and tanneries	KMC

City government control		Multiple agencies		State Control	
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## KEY TAKEAWAYS

### 1.1 Mayoral System

- Mayor is Indirectly elected and has a tenure of 5 years.
- The Mayor appoints the members of Mayor in Council. (MIC)
- Mayor-in-Council looks after the execution of services such as Water Supply, Health, etc.
- MMICs are one of the approving agencies for the official works to be undertaken by the ULB.
- Mayor-in-Council is the sanctioning authority of any project amounting between five lakh rupees to one crore rupees.
- The Municipal Commissioner is the principal executive officer of the Corporation, subject to supervision and control by the Mayor (Section 39).



1. **Mayor along with Mayor in Council have the overall control of the Municipality**
2. **There is collective responsibility of the members of MIC and Mayor, who are accountable to the people.**
3. **Commissioner works in supervision and control by the Mayor**
4. **Centralisation of powers in the sense that all things go to Mayor-in-Council.**

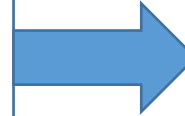
Status in other cities

**Bhopal:** MIC, Directly elected mayor and Mayor has financial powers can approve projects worth 5 crores.  
Right to recall of an elected mayor in Bhopal

## KEY TAKEAWAYS

### 1.2 Role of a Councillor

- Total 144 councillors in Kolkata, the corporation is divided into 16 administrative boroughs.
- There is a borough committee (zonal) and a chairman of the committee is elected.
- The issues are first raised in the borough committee. Then the issues are taken up with the MMIC of the concerned department. If they are not resolved therein then they are raised in the house.



1. **Councillors Role is to mainly look after service delivery and raise people’s issues to respective department**
2. **They act as a link between people and corporation.**
3. **Councillors coordinate with the admin and have good rapport with them**

### 1.3 Ward Committees & 1.4 Urban Reforms

- The corporation jurisdiction is divided into 16 administrative “boroughs” (analogous to zones) in the whole of Kolkata municipal corporation.
- There are no ward committees in Kolkata, there are borough (zonal) committees. Borough committee is made up of around 10 administrative wards.
- Borough committee meeting happens once in a month.
- Smart City Mission was rejected by the State of West Bengal



1. **There are monthly zonal committees, called Borough Committees.**
2. **The function of the Borough Committee is to discharge the functions of the Corporation within its wards like, supply of sewerage and drainage.**
3. **Ward Committees used to be active, now inactive**
4. **The city has access to grants from Asian Development Bank and World Bank, therefore some believe that the funding from Smart City is not useful for them.**

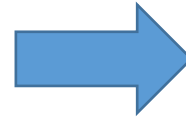
### Status in other cities

**Kochi:** Eight standing committees. Every councillor is part of at least one standing committee.  
Every ward has ward committee in Kochi  
People’s participation is key highlight

## KEY TAKEAWAYS

### 1.5 Multiple Agencies

- Some state government agencies play role in service delivery like; Public Works Department (PWD) and Kolkata Metropolitan Development Authority (KMDA) which have control over some of the roads in the city.



1. **No multiplicity of most services:** water, road, electricity are looked after by the corporation.
2. **Mayor-in-Council coordination:** MIC conducts regular meetings with other agencies in order to have coordination.
3. **Some coordination problems:** KMDA engineers are not accountable to councillors, creates coordination problem, especially during waterlogging crisis.

### Status in other cities

**Bhopal:** working towards making unified body which will have control over all functions.



### KEY TAKEAWAYS

#### 2.1 Manpower

“Currently we are having less workers for door to door collection of garbage. Also during monsoon, we conduct survey even for this we don’t have adequate people. .”  
- Councillor

- 1. Insufficient staff:** Corporation does not have sufficient permanent manpower to carry out delivery of services.
2. The inadequacy in manpower was particularly pointed out in the garbage collection process, and skilled staff in the light department is missing.
- 3. No Authority to recruit staff:** Hiring of employees is done by the state government through

#### Status in other cities

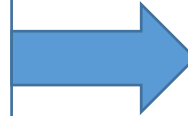
**Kochi, Delhi & Bhopal:** don’t have sufficient manpower and skilled staff



## KEY TAKEAWAYS

### 3.1 Budget

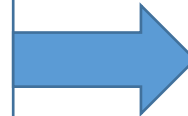
- The Kolkata municipal corporation has an estimated budget of approximately 5,200 crores, estimated revenue is 3200 crores for the year 2018-19.
- State provides grants and for big infrastructure projects, loans are asked from Asian Development Bank and World Bank.



- 1. Participation in Budget making process:** The MMICs of the concerned department, Mayor, Commissioner, the secretary of the corporation and concerned people of the finance department are involved in deciding the budget for the corporation
- 2. Adequate Budget:** Councillors and officials mentioned that the budget is adequate and funds are sufficient for developmental projects.
- 3. Independence in deciding tax rates**
- 4. Dependency on state:** Large part of the fund comes from the state government.

### 3.2 Sources of Revenue & Tax Rates

- The property tax is the major source of revenue
- Other sources include revenue collection through building sanctions, trade licenses.
- Approximately 6.31 crores and 18.7 crores through advertisement tax & parking charges respectively. (Kolkata Municipal Corporation, Mayor's Budget Estimate 2018-19).



- 1. Inefficiency in collection:** Taxes are not collected efficiently
- 2. Potential sources of revenue:** Councilors suggested to look at increasing tax rates on big business activities.

### Status in other cities

**Mumbai:-** Budget is adequate rather there is underutilisation of the funds.

**Bhopal:** Advertisement & Entertainment Tax given to city government after GST and taken away in Kerala

## **Empowered Corporation –one point governance**

1. There should be single authority to deliver 18 services as listed in the 74<sup>th</sup> constitutional amendment in the jurisdiction of the city.

## **Empowered Councillors**

1. Councillors should have authority to solve people's issues of their wards. Currently they have to approach mayor-in-council for everything
2. Implementation of Ward Committees at administrative ward level for decentralized platforms of accountability

## **Resources**

1. The corporation should have control over recruiting and deciding their own staff.
2. Need for revising the manpower and estimation of Strength.
3. Need of Qualified and experienced staff as per requirement.
4. Capacity building and regular training is required.

## **Municipal Finance**

1. List of local taxes to be incorporated in the act.
2. Revenue collection is not done efficiently there is need to revise tax and service rates and focus on efficient collection

# Thank You

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