



Content	Page No.
About Praja	3
Urban Governance in India	4
Methodology: Mapping of the 18 Functions as per the 74th CAA	7
Haryana – State Profile	8
Theme 1 : Devolution of 18 functions as per 74th Constitutional Amendment	11
Methodology: Interviews with Elected Representatives and City Executive	12
Theme 2: City Governments: Composition and function	14
2.1 Mayoral System	14
2.2 Role of Councillor	15
2.3 Ward Committee	15
2.4 Multiple Agencies	16
2.5 Resources	17
Theme 3: Municipal Finance	18
3.1 Budget & Sources of Revenue	18
Annexure 1: City structure and governance status	19
Annexure 2: Mapping of 74 th Constitutional Amendment functions	21
Annexure 3: Interview Questionnaire for MLAs/Councillors	24
Annexure 4: Interview Questionnaire for City Executive	28
Operational Plan for Urban Governance Project	31



Over the last two decades Praja has been working towards enabling accountable governance. We conduct data driven research on civic issues, and inform citizens, media, and government administration and work with elected representatives to equip them to address inefficiencies in their work processes, bridging the information gaps, and mobilising them in taking corrective measures advocating for change.

In the past we have partnered with the Mumbai Corporation to come up with its first Citizen Charter to revamping their Citizens' Complaint Grievances Mechanism and handholding them to run it in the initial years; we come up with annual white papers on the performances of civic, health, crime, education and housing issues in Mumbai and Delhi; since 2011 we have been coming up with an annual report card to rank performances of MLAs and Councillors in Mumbai and (since 2016) Delhi. We do not just stop at creating standardised matrixes or governance indicators but also support build capacities of elected representatives, executives and citizens by coming up with various handbooks on governance and conducting numerous workshops/trainings on governance issues.

Praja is now embarking on an ambitious journey to transform urban governance, to advocate policy changes that will change the way Indian cities are governed. It will be multiyear project in nature, with research being the bedrock to form a network and influence change:

- Currently the devolution of powers and the capacity in the cities is not completely mapped. By March 2020 we will be conducting an Urban Governance Reforms Study to capture status of urban reforms in all the states, identify levers and barriers and identify a set of recommendations.
- Our study will create a 'urban governance index' and map urban governance status in all the states of the country.
- As part of the study we will map and meet various stakeholders in all the states across the country and build a network which will be leveraged as a platform for: knowledge sharing; equipping stakeholders; mobilising stakeholders; and advocating for policy changes.

In a nutshell the project will enable urban governance to transform a 'smart city' into a 'smartly governed city' by influencing policy change at a structural and systemic level to democratise city governments and improve delivery of services."

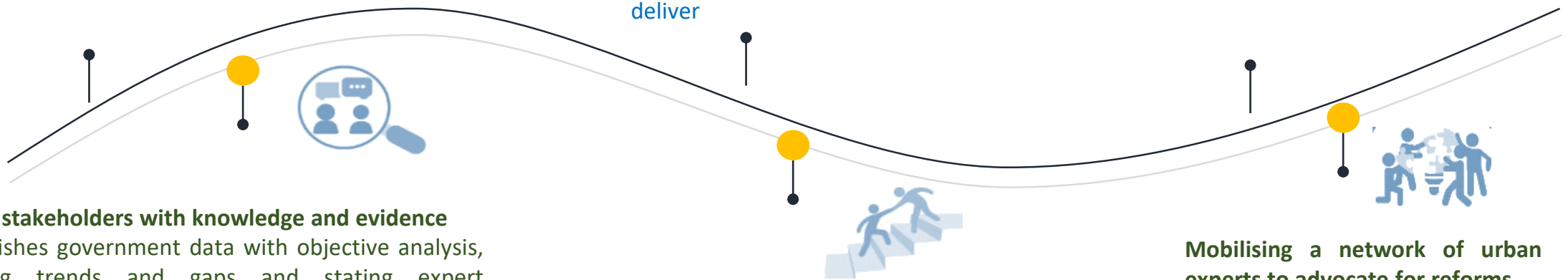


Over the past two decades Praja has been devoted to bringing transparency and is now embarking on an ambitious journey to transform urban governance

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

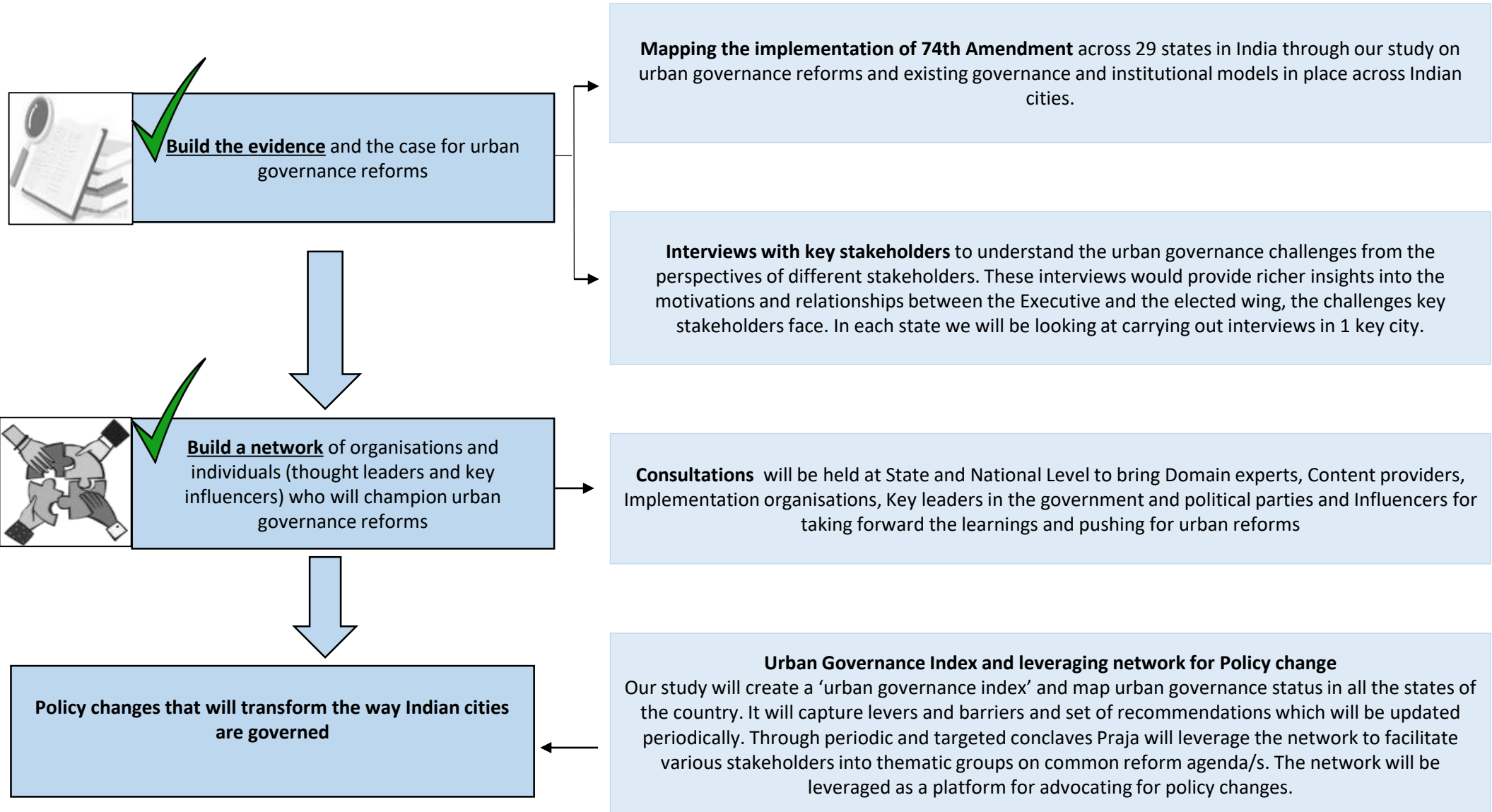


Improved quality of life in Smartly governed cities, with active citizenry

■ Problem

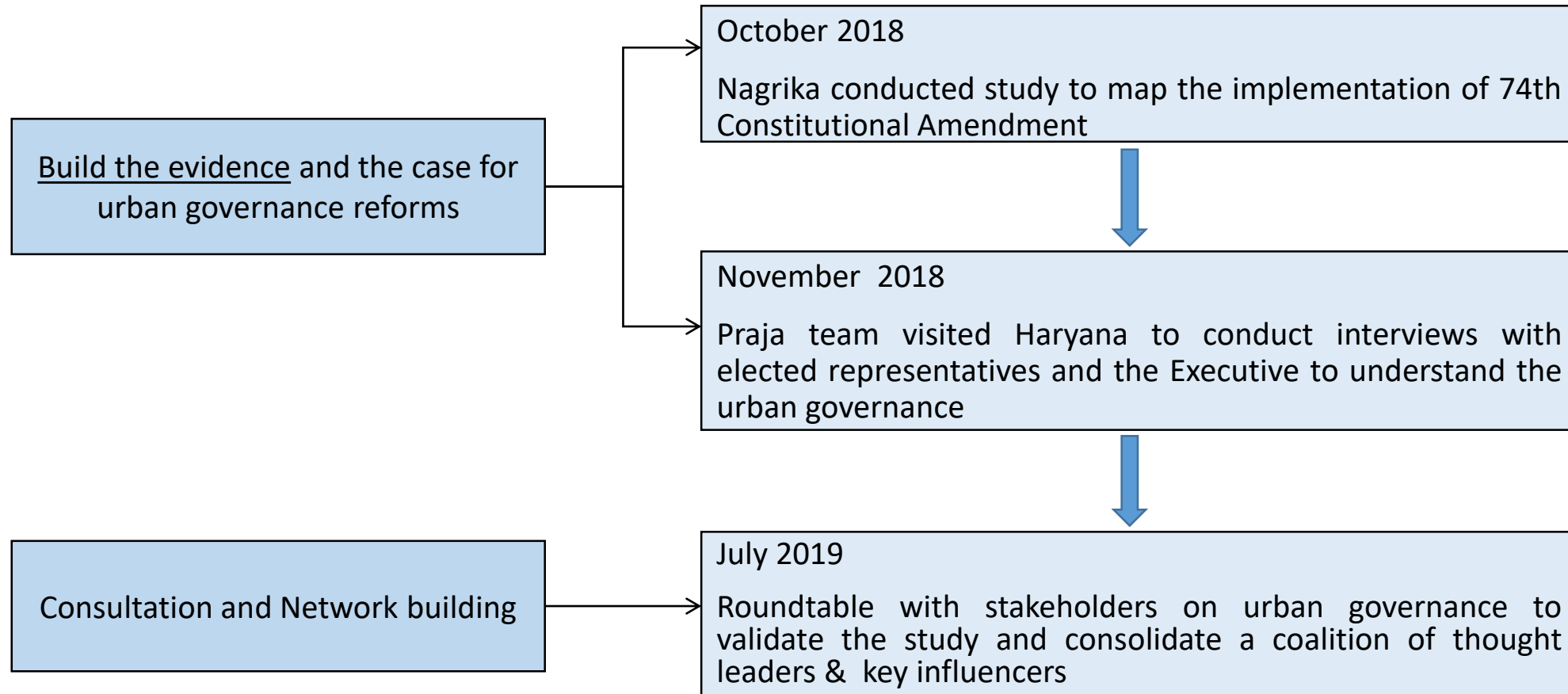
■ Solution

■ Outcome





The timeline of the study in Haryana





Objective

Some of objectives for conducting the exploratory study by Nagrika were:

1. Identify the prevalent institutional structures in different municipalities
2. Identify the roles and responsibilities of various departments and officials (elected as well as administrative) within a municipality
3. Map the 18 functions and the role of city governments and parastatals in performing them
4. Identify key informants in the administrative and deliberative wings
5. Identify civil society organizations and stakeholders in respective cities

The research for the state reports on 74th CAA was undertaken in three stages.

1. First, a detailed study of existing literature and relevant municipal acts was undertaken to understand the context
2. Second, discussions and interviews were undertaken (4 Elected Representatives and 20 Executives) in Haryana with multiple stakeholders over the period of one week. Nagrika team visited city of Karnal to understand the experience of decentralization in the city.
3. Finally, the field insights were corroborated with secondary research to develop this report.



City Profile

Sr No	Name of city government	Gurugram	Karnal
1	Name of ULB	Municipal Corporation of Gurugram	Karnal Municipal Corporation (KMC)
2	Status (Corp, MC):	Municipal Corporation	Municipal Corporation
3	Name of the District:	Gurgaon	Karnal
4	Area of the ULB in sq.km	732 sq. km.	87 sq. km.
5	Population	8,76,969	3,57,334
6	No. of wards	35	20
7	Term duration of present Municipal Government	5	5
8	Name of the Mayor / President/Chairman	Smt. Madhu Azad*	NA*
9	No. of Corporators /Councillors-Elected	35*	NA *
10	No. of Corporators /Councillors-Nominated (if not actual, based on Act)		NA (The Act allows up to three Nominated Councillor)*
11	Name of the Commissioner / Chief Officer/Secretary	Yashpal Yadav*	Rajiv Mehta*
12	No. of Sanctioned Posts in the ULB		NA
13	No. of Vacant posts in the ULB		NA
14	Schedule of council meetings (weekly, monthly?)		
15	If Smart city, is there a SPV in place?	No	Yes
16	Have ward committees been created?	No	No
17	Are there DPCs in the state?	Yes	Yes

* As on October 2018

Background:

The Karnal Municipal Corporation was formed in 2013. Before that, the Karnal Municipal Council was administered under the Haryana Municipal Act 1973. Currently, the Corporation area includes 15 villages too. Aside from the older parts of Karnal, most of the city was developed by the Haryana Sheheri Vikas Pradhikaran (HSVP), formerly Haryana Urban Development Authority), while the Karnal Improvement Trust has developed some of the sectors too. The Improvement Trust has been merged with the Corporation, along with the sectors and staff under it. The HSVP developed sectors are to be handed over to the corporation after ten years, but it still has some sectors under it. According to our conversations with the HSPV and Corporation officials, the HSPV staff looking after the sectors will be absorbed by the Corporations along with the sectors themselves. This was done in the past too, but was unsuccessful as the Corporation was not able to pay the salaries of the HSVP staff. The last term had 20 elected Councillors representing each ward, as well as additional three nominated councillors, who were chosen by the party in power.

Haryana Municipal Corporation Act 1994

Apart from the elected representatives, Section 3 of the Act allows the government to nominate these three categories of people in the corporation:

- (i) not more than three persons having special knowledge or experience in municipal administration.”
- (ii) members of the House of the People and the members of the Legislative Assembly representing constituencies which comprise wholly or partly the Municipal Area;
- (iii) members of the Council of States registered as electors within the Municipal Area;

The Act directs the Municipal area to be divided into wards of **roughly equal population size**. The wards reserved for members of the Scheduled and Backward Castes are to be located in areas where the presence of Scheduled and Backward Castes persons is high with respect to the total population of the wards.

While the members in the first category can not vote in Corporation meetings, while the other two can not contest for the position of Mayor, Sr. Dy. Mayor or Dy. Mayor, or vote for their election or removal from the seats. During our field visit, we found that there were three nominated members during the last term of the corporation. The city was divided into three zones/mandals – Shehari, Urban, and Ram Nagar – comprised of 4-5 wards, with each having a nominated member monitoring its running. According to conversations we had with the elected representatives, this has sometimes led to some tension between the nominated member and elected ward representatives from opposition parties.

The term of the Corporation is set at five years from the date appointed as its first meeting. At the time of our visit, the term of the Corporation was over and there were no sitting Councillors, nor any sitting Mayor, Sr. Dy. Mayor, or Dy. Mayor.



District Planning Committee (DPC)

The Haryana Municipal Corporation Act 1994 does not mention constitution of District Planning Committees. But there is a District Planning Committee in place in Karnal which is concerned with the passing of the Development Plan. But this committee does not form the actual plan. According to information from the field, it is the District Level Committee, comprised of Heads of district level departments, the District Town Planner, etc., where the plan is discussed. It is only after the draft plan has been prepared that it is passed to the DPC, which is mostly comprised of political representatives.

State Agencies and Parastatals

As with most smaller Corporations, complete devolution of functions hasn't been done at the Karnal Municipal Corporation. This means that State level departments and parastatal bodies are still involved in the development and running of the city. This includes HSVP developing sectors and continuing maintaining some of them, and the Health Department providing much of the governmental health services in the city. Though, according to information gathered from the field, processes are in place to devolve more functions and functionaries to the corporation.

For example, water supply was provided by PHED for sectors under the Corporation, while HSVP provided the same for the sectors under it. But now the local PHED section for urban areas is being transferred to the corporation. This will mean that KMC would have both the function and the functionaries. Though, it remains to be seen how much devolution of funds happens, as the last time HSVP staff were transferred to the Corporation, it was unable to pay their salaries. Another example is the absorption of the Improvement Trust by the Corporation.

Mayor (Section 11,36, 38)

Chapter II, Section 11, Sub Section 5 mandates the reservation of the seat of the Mayor between General Category, Scheduled Castes, Backward Castes, and women by rotation and by lots.

According to a recent amendment to the HMC Act 1994, the seat of the Mayor shall be filled through direct election. The Mayor can convene a special meeting of the Corporation upon a requisition in writing of not less than one-fourth members (Section 52, subsection 2) and is to preside over at every meeting at the Corporation, and has a second or a casting vote in case of equality of votes (Section 56). Other powers include maintaining order at meetings by directing disorderly members to withdraw from meetings. In case the member has been asked to withdraw twice within fifteen days, then the Mayor can suspend the said member from attending any corporation meeting for a maximum of fifteen days.

The Mayor can disallow any question at meetings which violate the conditions specified in Section 60, Subsection 3, and can decide if the said question is in fact in violation of the conditions. Further, the Commissioner can choose not to answer a question at meetings if the Mayor decides that the answer might be prejudicial to public interest or the interest of the Corporation.

Until the aforementioned amendment to the Act, the Mayor could be removed from office with the resolution of the Corporation passed by no less than two-third of the members. **Now, the elected body has no power to remove the Mayor, who can either be removed by the Government because of violations listed in Section 34 Sub Section 1, or can resign by writing.** These apply to all the members of the Corporation. The Divisional Commissioner can suspend the Mayor (or any member) according to the conditions contained in Section 34-A.

In case the Mayor is suspended or removed or has resigned, the elected member of the same category as the Mayor having the highest votes shall act as the Mayor till the seat is filled or the Mayor is reinstated.



The Senior Deputy Mayor and the Deputy Mayor (Section 11, 36,38)

In case the Mayor is absent, the Sr. Dy. Mayor, or in case both are absent, the Dy. Mayor, acts as the Mayor. The Act mentions two instances where they can do so:

1. In case of convening a special meeting of the Corporation upon a requisition in writing of not less than one-fourth members. (Section 52 subsection 2)
2. In case of presiding over at corporation meetings, which includes having a second or a casting vote in case of equality of votes. Similarly as the Mayor, the substitute presiding person can direct disorderly members to withdraw from meetings for safeguarding order and can suspend a member from attending corporation meetings for a maximum of fifteen days in case the said member has been asked to withdraw twice in a fortnight. (Section 56)

Under Section 39, the Sr. Dy. And the Dy. Mayor can resign through a written resignation submitted to the Commissioner. They can also be removed through a resolution passed by no less than two-third of the members (Section 37) or be suspended by the Commissioner of the Division (Section 34-A and Section 37-A).

Committees

Section 40 of the Act allows for the creation of as many ad hoc committees as the Corporation sees fit. Apart from these committees, the Corporation is supposed to form a Water Supply and Sewerage Disposal Committee, a Buildings and Roads Committee, a House Tax Assessment Committee etc., along with a Finance and Contracts Committee of the Corporation comprised of the Mayor, the two Deputy Mayors, two members elected by the members from amongst themselves and the Commissioner. But we found conflicting accounts of the existence of these committees during the last term of the Corporation, with most elected representatives saying that no such Committees were formed.

Commissioner (Section 45, 49)

The Commissioner is appointed by the State for a term of three years, but can be called back at any time, and is to be paid salary from the Corporation Fund. The Commissioner has to be an I.A.S. Officer with a minimum of five years of service.

The Act grants the Commissioner certain powers:

1. The Commissioner may require the owner or occupier of a taxable land or building as specified in section 89 to furnish information about the owner and/or the occupier, the dimensions of the land or building, the rent obtained from them, if any, and other details connected with the determination of the value of the property. (Section 104)
2. The Commissioner may in his discretion assess any out houses appurtenant to a building or any portion of a land or houses appurtenant to a building, or any portion of a land or building separately from such building or, as the case may be, from the rest of such land or building. (Section 107)
3. The Commissioner may, if he thinks fit, employ one or more competent persons to give advice or assistance in connection with the valuation of any land or building. (Section 108)
4. Only the Commissioner can permit the erection, exhibition, fixation, or retention of advertisement upon or over any land, building, wall boarding, frame, post or structure or upon in any vehicle or shall be displayed in any manner whatsoever in any place within the Municipal area in accordance with bye-laws. (Section 122)
5. To seize vehicle or animal if the tax on them has not been paid. (131)
6. With respect to private drains, the Commissioner can close or limit their use in certain cases (Section 200), require owners to carry out works (Section 203), executing works on them (Section 210, 211), and examine and test them (Section 212)
7. With respect to public streets, the Commissioner shall carry out maintenance work on them (Section 217), construct new streets, bridges and sub-ways, turn/divert existing streets (Section 219), prohibit use of public street for certain kinds of traffic (Section 221), acquire land and buildings for public streets and for public parking places (Section 222), determine the name or number of public streets or places (Section 244), and securing lighting in public spaces (Section 247).
8. Order or carry out work on private streets (Section 233), and declare them to be public streets (Section 234).
9. Require alteration of work of any building, including private buildings (Section 263), cause any premise to be scavenged and cleansed (Section 274), require improvement of building unfit for human habitation (Section 282) or their demolition (Section 284).
10. Require removal or abatement of nuisance (Section 310).
11. Only the Commissioner can allow the establishment of factories, workshops or trade premises in which it is intended to employ steam, electricity, water or other mechanical power (Section 330) or any eating house, lodging house, hotel, boarding house, tea shop, coffee house, café, restaurant, refreshment room (Section 335), and inspect slaughter houses (Section 338).

No	Functions listed in 12 th Schedule	Haryana
1	Urban Planning including town planning	<ul style="list-style-type: none"> Urban Planning; Approval of Building Plans, Sale, Issuing No Objection Certificates- Town and Country Planning Office (T&CP), Haryana; Haryana Shahari Vikas Pradhikaran (HSVP)
2	Regulation of land-use and construction of buildings	<ul style="list-style-type: none"> Preparation of master plan and control of land-use: T&CP (Haryana Govt.)
3	Planning for economic and social development	<ul style="list-style-type: none"> Social Justice & Welfare Department (Haryana Govt.) Implementation of central schemes like Pradhan Mantri Awas Yojana (PMAY) : Local Bodies Department and Municipal Corporation of Gurugram (MCG)/Karna Municipal Corporation (KMC)
4	Roads and bridges	<ul style="list-style-type: none"> Roads: Public Works Department (PWD) (Haryana Govt.), National Highway Authority of India (NHAI) (Central), MCG/KMC, (HSVP) Bridges: PWD (B&R) (Haryana Govt.)
5	Water supply- domestic, industrial and commercial	<ul style="list-style-type: none"> Under MCG in Gurgaon /Formally transferred to KMC but still provided by Public Health and Engineering Department (PHED) (Haryana Govt.) for now
6a	Public health, sanitation, conservancy	<ul style="list-style-type: none"> Hospitals: Health Department (Haryana Govt.) Sewerage: PHED (Haryana Govt.), might be transferred to MCG/KMC
6b	Solid Waste Management	<ul style="list-style-type: none"> MCG/KMC
7	Fire services	<ul style="list-style-type: none"> MCG/KMC
8	Urban forestry, protection of environment and ecology	<ul style="list-style-type: none"> Forest Department (Haryana Govt.), Haryana State Pollution Control Board (Haryana Govt.)
9	Safeguarding the interests of weaker sections of the society	<ul style="list-style-type: none"> Social Justice & Welfare Department (Haryana Govt.), MCG/KMC
10	Slum improvement and upgradation	<ul style="list-style-type: none"> HSVP, MCG/ NA for Karnal as Officially no slums in KMC

11	Urban poverty alleviation	<ul style="list-style-type: none"> Implementation of National Urban Livelihood Mission (NULM) : State Urban Development Authority Haryana (State Urban Development Authority - Haryana); MCG/KMC
12	Provision of urban amenities and facilities- parks, gardens and playgrounds	<ul style="list-style-type: none"> Parks and Gardens: MCG/KMC
13a	Promotion of cultural and aesthetic aspects	<ul style="list-style-type: none"> Cultural: Art & Cultural Affairs Department; MCG/KMC Aesthetics: MCG/KMC
13b	Promotion of education	<ul style="list-style-type: none"> Educational: Dept. of Elementary Education (Haryana Govt.), Dept. of School Education (Haryana Govt.), Dept. of Higher Education (Haryana Govt.), Dept. of Technical Education (Haryana Govt.)
14	Burials and burial grounds, cremations, cremation grounds and electric crematoriums	<ul style="list-style-type: none"> MCG/KMC
15	Cattle pounds, prevention of cruelty to animals	<ul style="list-style-type: none"> MCG/KMC
16	Vital statistics including registration of births and deaths	<ul style="list-style-type: none"> MCG/KMC
17	Public amenities including street lighting, parking lots, bus stops and public conveniences	<ul style="list-style-type: none"> Street Lighting, Parking, and Public Convenience: MCG/KMC Bus Stops: KMC for city bus services, rest by Haryana Roadways State Transport Department; GMCBL
18	Regulation of slaughter houses and tanneries	<ul style="list-style-type: none"> MCG/KMC

City government control		Multiple agencies		State Control		11
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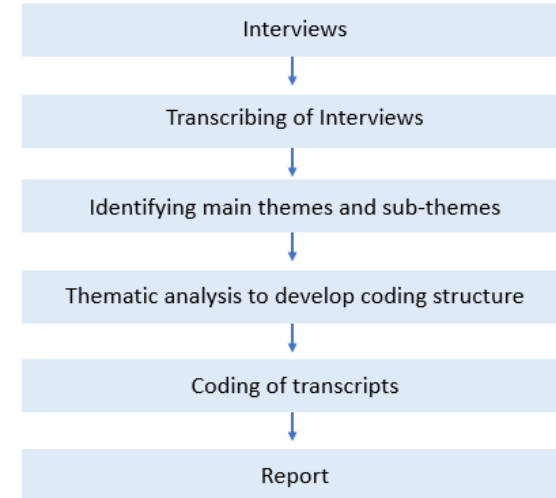
Objective

The interviews aim to gather evidence on understanding urban governance and development from the view of elected representatives, the city executive and citizens. It explores the relationships between these different groups and identifies the challenges facing Indian cities.

The interviews explore the following themes

1. Governance structures and service delivery;
2. Resources (staff, finance, and skills) available to the Municipal Corporation;
3. Municipal finance and citizen participation.

Analysis



Interviews

As a part of the study, 8 interviews (5 Councillors and 3 executives) were carried out in Gurugram in November 2018. The sample included Members of Legislative Assembly (MLAs), city councillors and members of the Executive. The participants were representative of gender and political parties at the state and city level.

The analysis in the next section is based on a sample of 8 participants.

- The interviews were qualitative and the figures indicate the number of people who highlighted a particular issue.
- The percentages shown in the analysis are not mutually exclusive. Participants could have given more than one of the answers.
- The solutions capture the reflections of different respondents, and are not indicative of Praja Foundation's views.

The Interview Questionnaire for MLAs, Councillors and Executive have been added as Annexure.



Elected Representative	Calculation	E.g. Bhopal	Haryana
Total No. of MLAs		7	5
MLA	10% of total MLAs in the city or a minimum of 2 (whichever is greater)	2	2
Total No. of councillors		85	35
Councillor	10% of the Councillors (or a minimum of 3 Councillors per MLA approached whichever is greater)	8	4
	3 Councillors per MLA approached (or 10% of Councillors whichever is greater)	2 x 3 = 6	2 x 3 = 6
City Executive	1 city executive per 3 ER approached or minimum 3	3	3
Total sample		13	11

- Councillors and MLAs are selected at random. The sample is representative of the gender and party mix.
- Councillors in key positions are approached if they are not covered in the random sample – Mayor/Deputy Mayor, Ward Committee Chair, Standing Committee Chair, Chairs of important statutory committees.
- All Municipal Commissioners are invited to participate + a sample of senior and junior municipal officials selected at random

2.1 Mayoral System

STATUS

- The Mayor is directly elected. (Section 36)
- The term of the Mayor is 5 years, co-terminus with the office of Corporation. (Section 36)
- The main role of the Mayor is to maintain and carry out the affairs of the Council.
- The Mayor is also the head of the Finance Committee of Corporation.
- There are positions of Mayor, Senior Deputy Mayor and Deputy Mayor. There is no difference in their powers. These are mere positions similar to the position of President, Vice President.
- The bill in the Corporation cannot be passed unless all the three have signed it.
- Their role is mainly ceremonial and advisory.

Levers

- According to a recent amendment of October 2018 to the HMC Act 1994, the seat of the Mayor shall be filled through direct election.
- The Mayors of Haryana have demanded Annual Confidential Report powers, where Mayor can have powers to hold the administration accountable through review.

Barriers

- The Mayor has ceremonial powers of signing.
- The Mayor is just a spectator like other Councillors during the General Body Meeting of the Council, the Commissioner takes the lead on getting projects approved.

Councillors

Administration

"I learnt that even after having one of the largest budgets in India, we don't have any monetary powers. We have to work under the dominance of the administration. Many cities don't have this system. And the Councillors of Gurugram are suffering a lot because of this. This was extremely disturbing.."

"Government of Haryana is trying to empower the elected bodies for example jila parishad and Mayors etc. So they are trying to decentralize to increase empowerment. Present situation after 74th amendment, the elected representatives are not that empowered as envisioned by the 74th amendment."

Councillors

"The Mayor has no right in Gurugram other than signing bills. The power is like that of an ordinary Councillor."

KEY TAKEAWAYS

- **Directly elected Mayor according to the recent amendment.**
- **Mayor's role is largely ceremonial**
- **Municipal Stability as Mayor term is for 5 years**

STATUS

1.2 Role of a Councillor:

- Total 35 councillors in Gurugram Municipal Corporation
- Councillors identified their primary role as work on issues like cleanliness, roads and water. Women’s safety has been highlighted as an important issue.
- Haryana Institute of Public Administration (HIPA) is an organisation which provides training and knowledge to the Councillors.
- The Councillors have no discretionary funds at their disposal.

1.3 Ward Committee

- Ward Committees have been formed but not functional.
- Because the Corporation is fairly new, thus the response to the Ward Committees is not great.
- The Ward Committee meetings are held so that Councillors can address the issues they face in their wards.
- There is no public participation in ward committees.

Levers

- General Body meeting of the council is regularly conducted twice in a month.
- Administration believed they coordinated well with the Councillors.
- Regular meetings and follow-ups are conducted
- There is a 33% reservation for women in the Corporation and hence the top three positions are held by women. Out of 35 wards, 18 wards have women councillors.

Barriers

- Councillors highlighted that it is difficult to get work done by the administration.
- Privatization impedes the Councillors’ work by limiting the amount of developmental works they can undertake.
- Lack of a proper masterplan makes funding of projects difficult.

Councillors

“My responsibilities as the councillor involve looking after the basic needs of the ward such as road, water and even the basic household quarrels”

KEY TAKEAWAYS

- **Councillors highlighted that it is difficult to get work done by the administration.**
- **The ward committees are formed but the response is not great.**
- **Public participation is not allowed in ward committees.**

STATUS

- The other agencies that provide services mainly include Gurugram Metropolitan Development Authority (GMDA) and Haryana Urban Development Authority (HUDA)
- GMDA is a new organization that has been set up by State Government and given a fund of 500 crores from the Corporation treasury.
- Formation of GMDA was to give a leadership to the town and to decide the major issues on Gurgaon level. Lot of cases are referred to Chandigarh so initially there were expectations that there should be a apex body to ensure coordination between departments and provide the various approval at local level.
- GMDA also works to prepare a yearly and five yearly plan for the city and ensures that all the departments work in sync to achieve the goal

Barriers

- There is not efficient coordination between GMDA and HUDA.
- Some of the municipality's work is handed over to GMDA like roads and park development and maintenance.
- There is no accountability of the parastatal agencies to MCG

Administration

"No we don't have control over the 18 functions listed out under the 74th amendment. Because of presence of GMDA, HUDA and other government agencies. We need complete control over all the assets and subjects which are assigned to us."

KEY TAKEAWAYS

- **Service delivery is performed by multiple agencies.**
- **There is a lack of coordination with the parastatal agencies.**
- **The parastatal agencies do not have accountability to MCG or Elected Representatives.**
- **There is strong presence of parastatals in Gurugram.**

STATUS

- MCG do not have the authority to recruit human resources.
- Recruitment is approved and processed by the State Government.
- The Elected Representatives do not have any say in the recruitment of human resources.
- About 20% of the employees are regular and 80% are contractual.

Administration

“In certain department, we feel the shortage of staff. At higher level for example, engineering site we need more engineers, in planning side we need more planners. We need more manpower. We are pursuing this issue with the government to allow us more posts so that we can hire more people.”

Barriers

Inadequate human resources

- The corporation does not have adequate human resources for delivery of services.

Recruitment

- MCG needs to have State government approval for recruitment.
- Recruitment process is also done by State government which is time taking process.

Councillor

“Yes, there is lack of manpower in the office. Sometimes, one members has to handle several departments at a time which becomes difficult for him.”

KEY TAKEAWAYS

- **Recruitment is done by State Government.**
- **Human resources are not adequate for service delivery.**
- **MCG is has higher percentage of contractual employees.**



STATUS

Budget

- Total budget of MCG for 2018-19 is 1884 crore rupees.
- Per capita budget is 21,480 rupees.
- The Corporation enjoys the second highest budget in the country and hence is self-sufficient which also positively affects their autonomy.
- 73% of the revenue of MCG comes from own sources such as property tax, stamp duty and regularization of development charges.

Sources of revenue

- The revenue and tax collection are efficient and Property tax is a major source of revenue.

Financial powers to sanction projects:

- The commissioner can exclusively sanction projects up to 1 crore.
- The Finance and Contracts Committee can sanction projects up to 2.5 crores.
- Any project which requires funding of more than 2.5 crores, approval from the State Government is required.

Tax Rates:

- The State government has power to issue instructions.
- The Corporation cannot reduce tax rates but are free to increase them subject to approval from State.

Levers

Budget Adequacy

- The compliance of property tax payment is better in Gurugram than in other cities in Haryana.
- There is a large commercial establishment, factories and commercial building who pay lot of property tax and thus the budget is in a good position.
- Land rich panchayats were incorporated into the Municipal Corporation jurisdiction, thus revenue was received from this expansion.

Potential sources of revenue

- Lodging houses taxes can also be better collected for higher revenue.
- Developing parking sites to collect revenue from its charges.
- Installing meters to better collect water charges.

Barriers

Councillors participation

- Councillors are able to participate in budget making process and can give suggestions and raise objections in the assembly. However, they are unable to have significant influence over its decision making.

Collection of Taxes

- The shop and commercial establishment licensing is not being done efficiently. Thus, its contribution is negligible.

KEY TAKEAWAYS

- Budget is adequate.
- Dependency on State Government for funds.
- Public participation in budget making does not take place.



Annexure 1: City structure and governance status (1/2)

Reform Areas	Gurugram	Status in other cities
Interviews Conducted	<ul style="list-style-type: none">• 32 total including 9 ER and 23 Executive	<ul style="list-style-type: none">• Total 551 interviews in 18 States
Governing Acts	<ul style="list-style-type: none">• The Haryana Municipal Corporations Act 1994	<ul style="list-style-type: none">• Different acts for different states, cities.
Service Delivery	<ul style="list-style-type: none">• 7 functions are completely devolved to MCG while other 8 are under multiple agencies and 4 are with the State department.• But in practice, devolution in many of these functions isn't complete.	<ul style="list-style-type: none">• All functions have been devolved in Mumbai & Bhopal
Municipal Finance	<ul style="list-style-type: none">• Budget is adequate but there is dependency on State Government.• There is no public participation in budget making.	<ul style="list-style-type: none">• Mumbai- Budget is adequate rather there is underutilisation of the funds.• Advertisement & Entertainment Tax given to city government in Bhopal after GST.
Mayoral System	<ul style="list-style-type: none">• Tenure of Mayor is 5 Years.• According to the recent amendment, directly elected Mayor is introduced.	<ul style="list-style-type: none">• Bhopal and Kolkata have Mayor in council system.• Directly elected mayor in Bhopal and Mayor has financial powers can approve projects worth 5 crores.• Right to recall of an elected mayor in Bhopal



	Gurugram	Status in other cities
Multiple Agencies	<ul style="list-style-type: none">• Gurugram Municipal Corporation (GMC)• Gurugram Metropolitan Development Authority (GMDA)• Haryana Urban Development Authority (HUDA)	<ul style="list-style-type: none">• Multiple agencies are creating problems for efficient service delivery in cities like Mumbai, Delhi, Bhopal, Kolkata & Udaipur.• Bhopal is working towards making unified body which will have control over all functions. Proposal has been given to the state.• In Bhubaneswar, the council invites administration and parastatal staff for the monthly meeting and can ask questions to them directly. This makes the administration accountable to the Elected Representatives.
Urban Reforms (smart city mission)	<ul style="list-style-type: none">• Gurugram is not a part of the Smart City Mission.	<ul style="list-style-type: none">• In Udaipur, Commissioner is CEO and Mayor is vice chairman of SPV Board.• The corporation has control over the SPV.
Citizen participation	<ul style="list-style-type: none">• Ward Committees are not formed in Gurugram.• There are no ward sabhas held in GMC.	<ul style="list-style-type: none">• No ward sabhas in other cities like Mumbai, Delhi, Kolkata.• Public consultation is lacking.



Annexure 2: Mapping of 74th constitutional Amendment functions (1/3)

Sr. No	Functions	Haryana	Kochi	Bhopal	Mumbai	Udaipur	Kolkata
1	Urban planning including town planning.	TCPO, HSVM, ULBs	Town and Country Planning Office (TCPO). Kochi Municipal Corporation (KMC) has the ownership of the Masterplan but they don't design it. They enforce its regulations. They also don't have a Town Planner position on their rolls.	Town and Country Planning Office (TCPO); Development Authority: Capital Project Administration (Bhopal); Directorate of Urban Administration & Development (DUDA); Bhopal Municipal Corporation (BMC)	Mumbai Metropolitan Region Development Authority (MMRDA), Maharashtra Housing And Urban Development Authority (MHADA) and Maharashtra State Road Development Corp (MSRDC), Municipal Corporation of Greater Mumbai (MCGM)- Town Planning	Master plan prepared by Town and Country Planning (TCP) and implemented by Urban Improvement Trust (UIT)	Kolkata Municipal Corporation (KMC), West Bengal (WB) Govt.
2	Regulation of land-use and construction of buildings.	TCPO, HSVM, ULBs	TCPO. KMC has the power to sanction building plan approvals up to a limit.	TCPO; Committee for multi storeyed buildings: Development Authorities; MP Housing Board ; BMC	MCGM, MMRDA	UIT, Udaipur Municipal Corporation (UMC)	KMC, WB Govt.
3	Planning for economic and social development	Social Justice & Welfare Dept., ULBs	KMC; District Planning Committees; Ward Committees;	DUDA; BMC	MCGM, State Government	UIT and UMC	KMC, WB Govt.
4	Roads and bridges.	PWD, NHAI, ULBs, PWD (B&R)	KMC. Roads and Bridges Development Corporation of Kerala (RBDCK)	Public Works Department (PWD); City governments; Traffic Police	Overseen by MCGM, MMRDA, MSRDC and Public Works Department (PWD)	UIT, UMC, Rajasthan State Road Development & Construction Corporation (RSRDCC)	KMC, WB Govt.
5	Water supply for domestic, industrial and commercial purposes	PHED and ULBs	Kerala Water Authority.	Water Dept.; BMC for O&M	MCGM	Public Health Engineering Department (PHED), Rajasthan Water Supply and Sewerage Management Board (RWSSMB)	KMC

Legend

City government control	Multiple agencies	State Control
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Annexure 2: Mapping of 74th constitutional Amendment functions (2/3)

Sr. No	Functions	Haryana	Kochi	Bhopal	Mumbai	Udaipur	Kolkata
6 a	Public health and sanitation conservancy	Health Dept. (Haryana Govt), PHED, ULBs	KMC; State health department	Public Health Engineering Department (PHED)	MCGM	PHED, UIT, UMC, State Govt.	KMC, Govt. WB
6 b	Solid waste management	ULBs	KMC	BMC	MCGM	UMC	KMC
7	Fire services	ULBs	Kerala Fire and Rescue Services	BMC	MCGM	UMC	WB Govt.
8	Urban forestry, protection of the environment and promotion of ecological aspects.	Forest Dept. (Haryana Govt), SPCB	Forest and Wild life department. KMC (for beautification/greenery)	Forest Dept. and Biodiversity Board	BMC; Tree Authority under MCGM, Forest Department under State Government	UIT, UMC	WB Govt.
9	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded	Social Justice & Welfare Department (Haryana Govt.), ULBs	KMC; Local Self Government (LSG) Dept.	Dept. of Social Justice; BMC	MCGM, Overseen by Social justice and Special assistance department under State Government	UIT and UMC	KMC, Govt. WB
10	Slum improvement and upgradation	HSVP, ULBs	KMC ; LSG Dept.	BMC; Slum Clearance Board was dissolved	Primarily done by Slum rehabilitation authority (SRA), MCGM, MHADA and MMRDA	UIT and UMC	KMC, Govt. WB
11	Urban poverty alleviation	SUDA-H, ULBs	Kudumsree. KMC	BMC	MCGM and State government	Ministry of Urban Development , Ministry of Housing and Urban Poverty Alleviation, UMC	KMC, Govt. WB

Legend

City government control	Multiple agencies	State Control
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Annexure 2: Mapping of 74th constitutional Amendment functions (3/3)

Sr. No	Functions	Haryana	Kochi	Bhopal	Mumbai	Udaipur	Kolkata
12	Provision of urban amenities and facilities such as parks, gardens, playgrounds	ULBs,	Kudumsree. City government.	BMC	MCGM	UMC, UIT	KMC, WB Govt.
13a	Promotion of cultural and aesthetic aspects.	Art & Cultural Affairs Department ;ULBs	KMC	Culture Dept.; BMC	MCGM and Ministry of cultural affairs-Maharashtra	UMC, PWD	KMC, WB Govt
13b	Promotion of education	Education Departments, Govt of Haryana	State Education Department	State Education Department	BMC run schools	State Education Department, UMC implementing agency	KMC Schools and Department of School Education (State Government) Dept of Higher Education (State Government)
14	Burials and burial grounds; cremations, cremation grounds	ULBs	KMC	BMC	MCGM	UMC	KMC
15	Cattle pounds; prevention of cruelty to animals	ULBs	KMC	BMC, Animal Husbandry	MCGM	UMC	WB Govt.
16	Vital statistics including registration of births and deaths.	ULBs	KMC	BMC	MCGM	UMC	KMC, WB Govt.
17	Public amenities including street lighting, parking lots, bus slops and public conveniences.	ULBs, State Transport Department	KMC	BMC, Ujjain City Transport Services Limited (UCTSL); Bhopal City Link Limited (BCLL)	Bombay Electric Supply and Transport (BEST) of MCGM	PWD, UMC	KMC, WB Govt.
18	Regulation of slaughter houses and tanneries	ULBs	KMC	Urban Development and Housing Department (UDHD); BMC; Pollution Control Board	MCGM	UMC	KMC

Legend

City government control

Multiple agencies

State Control



Organisational Setup and Service Delivery:

(Questions applicable for MLA as well)

I. Role

- a) How would you define your role as **Councillor** (changes depending on the respondent)?
- b) What would you say are your key responsibilities?
- c) What do the citizens see your responsibility as Councillor/MLA/Administrator?
- d) Are you a part of any statutory committee?
- e) What would you see your role as a member of the said committee?
- f) What are the challenges you face as being a member of the ruling/opposition party? *If in opposition, Is the corporation forum a hurdle or the approach of the bureaucracy?*

II. Service delivery

- a) Pick one service that you believe the municipal corporation has successfully delivered, and one where it has faced significant challenges.
- b) Why was the delivery of the **xx** service a success?
- c) What mechanism is working to make the service a success? (Probe whether it's the funding priority or the manpower efficiency)
- d) Pick one service that you believe the municipal corporation has faced significant challenges
- e) What challenges do you think the corporation faced and
- f) how did they overcome this to make it a success?

III. Monitoring

(Following Questions are not applicable for MLA's)

- a) How do you to monitor the delivery of schemes, raise issues, and hold the administration to account?
- b) (Did you raise questions in the house? Did you ask for a report? Raise issues at Ward Committee? do you make use of the Municipal Secretary department?)
- c) How do you monitor performance and track the progress of the issued raised? Do you receive reports (audits, data etc.), from the administration?
- d) What is the frequency of these reports?
A: Daily; B: Weekly; C: Monthly D: Quarterly; E: Biannually; F: Annually
- e) Do you use these reports to raise questions? Y/N
- f) How is your rapport with the administration?



IV. External agencies

- a) What other agencies/departments were involved in the delivery of these services? (Give a list of agencies/departments)
- b) Why is the process of delivering this service complicated?
 - a) Because of the involvement of agencies
 - b) Because of the lack of leadership
 - c) Lack of Accountability
 - d) Poor communication between agencies
- c) Do you see yourself as having a role in improving the communication between the agencies?
- d) Do you/they hold regular meetings to ensure that its being done?
- e) Who organises it, at what level are they organised?
- f) Is there an escalation process of passing the work, if you face challenges?
- g) When state projects are sanctioned in your constituency do you have a say in the decision making process? Y/N
- h) How do you monitor whether the benchmarks are being met?
- i) (If the city is under Smart City Mission) What is the role and nature of the Special Purpose Vehicle?
- j) What are the key responsibilities of the SPV?
- k) What members of the corporation are a part of the SPV project?
- l) What is your opinion/evaluation on the SPV of the Smart city mission?

v. Resources:

- a) Do you believe that the corporation has adequate resources in terms of manpower and tools to carry out delivery of services?
- b) Do you believe the municipal staff who work in your jurisdiction have the adequate skills to carry out their functions? (Very Poor/Poor/Average/Good/Very Good/Excellent)
- c) Do you think there is requirement for capacity building of corporation employees?
- d) Do you as a councillor have adequate resources in terms of the following to monitor the delivery of schemes, raise and understand issues, and hold the administration to account?
- e) Do you hire your own staff to support you in carrying out your responsibilities?
- f) If yes, how do you fund hiring your own staff? (Do you fund out of your own pocket (10,000 honorarium) or does the party fund it?)



VI. Municipal Finance:

- a) What do you use your councillor/MLA/MP fund for?
- b) How did you go about deciding where to use this fund?
- c) How did you decide whether it should be funded from your fund or the administration core/sanctioned budget?
- d) Are you able to participate in the budgeting process of the Corporation?
- e) At what level are you able to participate in the budget making process?
- f) Who decides the priorities of the corporation for budgeting?
- g) Does the corporation have adequate budget?
- h) Do you believe it is being utilized?
- i) What are the major sources of revenue, which is the highest source of revenue?
- j) What are the other potential sources of revenue collection?
- k) Is the corporation mostly dependent on the state government for finances?
- l) How much control does the corporation have over deciding the tax and service rates?
- m) What are your views on providing municipal governments with more control over the way they spend their funds?
- n) Are you aware of the State Finance Commission? Whether the reports of the SFC are taken into consideration while reviewing corporation financial powers?
- o) Are recommendations implemented?
- p) What is your opinion on Goods and Services Tax, has it affected municipal finance?

VII. Citizen Participation

- a) How regularly do you meet citizens in your constituency?
- b) How do citizens approach you- email/phone calls/letters/ in-person?
- c) What is the one service or issue that citizens are most likely to approach you for?
- d) Are you able to direct citizens to the concerned authority, or do you deal with the administration in your own capacity?
- e) Is there a grievance/complaint redressal mechanism where citizens can complain directly to the administration/corporation?
- f) Do you think citizens are aware about this?



VIII. Evaluation of Municipal Government:

(Following Questions are applicable for MLA's)

- a) What is the biggest challenge you face in office?
- b) What would you change in the current system to make it work better?
- c) The balance of responsibilities between the administrative wing and the elected wing?
- d) What is your opinion on mayoral system of your city? Should the mayor have more powers? What are your opinions on mayor in council?
- e) Are you aware about the 74th amendment?
- f) Can you name one function under the 74th amendment that has been devolved to your satisfaction?
- g) Can you name one function in particular that has not been devolved to your satisfaction?



Annexure 4: Interview Questionnaire for City Executive

I. Role

a) How would you define your role as *Municipal Commissioner*?

II. Service delivery

a) Pick one service that you believe the municipal corporation has successfully delivered, and one where it has faced significant challenges.

b) Why was the delivery of the *xx* service a success?

c) What mechanism is working to make the service a success? (Probe whether it's the funding priority or the manpower efficiency)

d) Pick one service that you believe the municipal corporation has faced significant challenges

e) What challenges do you think the corporation faced and

f) how did they overcome this to make it a success?

III. Monitoring

a) How often do you share updates on the delivery of services with municipal councillors?

b) Do councillors approach you for additional data or reports?

c) How is your rapport with the councillors?



IV. External agencies:

- a) What other agencies/departments were involved in the delivery of these services? (Give a list of agencies/departments)
- b) Why is the process of delivering this service complicated?
 - a) Because of the involvement of agencies
 - b) Because of the lack of leadership
 - c) Lack of Accountability
 - d) Poor communication between agencies
- c) Do you see yourself as having a role in improving the communication between the agencies?
- d) Do you/they hold regular meetings to ensure that its being done?
- e) Who organises it, at what level are they organised?
- f) Is there an escalation process of passing the work, if you face challenges?
- g) When state projects are sanctioned in your area/ that affect your department do you have a say in the decision making process?
- h) Once the project is sanctioned, how do you monitor whether the benchmarks are being met?
- i) When projects are delayed or cost overruns happen, are you able to hold responsible authorities accountable?
- j) (If the city is under Smart City Mission) What is the role and nature of the Special Purpose Vehicle?
- k) What are the key responsibilities of the SPV?
- l) What members of the corporation are a part of the SPV project?
- m) What is your opinion/evaluation on the SPV of the Smart city mission?

V. Resources:

- a) Do you believe that the corporation has adequate resources in terms of manpower and tools to carry out delivery of services?
- b) Do you believe the municipal staff who work in your jurisdiction have the adequate skills to carry out their functions? (Very Poor/Poor/Average/Good/Very Good/Excellent)
- c) Do you think there is requirement for capacity building of corporation employees?



VI. Municipal Finance:

- a) Are you able to participate in the budgeting process of the Corporation?
- b) At what level are you able to participate in the budget making process?
- c) Who decides the priorities of the corporation for budgeting?
- d) Does the corporation have adequate budget?
- e) Do you believe it is being utilized?
- f) What are the major sources of revenue, which is the highest source of revenue?
- g) What are the other potential sources of revenue collection?
- h) Is the corporation mostly dependent on the state government for finances?
- i) How much control does the corporation have over deciding the tax and service rates?
- j) What are your views on providing municipal governments with more control over the way they spend their funds?
- k) Are you aware of the State Finance Commission? Whether the reports of the SFC are taken into consideration while reviewing corporation financial powers?
- l) Are recommendations implemented?
- m) What is your opinion on Goods and Services Tax, has it affected municipal finance?

VII. Citizen Participation:

- a) Is there is grievance/complaint redressal mechanism where citizens can complaint directly to the administration/corporation?
- b) Do you think citizens are aware about this?
- c) Are councillors able to communicate the citizen grievances to you, to improve delivery of service?

VIII. Evaluation:

- a) What is the biggest challenge you face in office?
- b) What would you change in the current system to make it work better?
- c) The balance of responsibilities between the administrative wing and the elected wing?
- d) What is your opinion on mayoral system of your city? Should the mayor have more powers? What are your opinions on mayor in council?
- e) Are you aware about the 74th amendment?
- f) Can you name one function under the 74th amendment that has been devolved to your satisfaction?
- g) Can you name one function in particular that has not been devolved to your satisfaction?



Annexure 5: Operational Plan for Urban Governance Project

Of the 5 phases, Praja has completed the research and interviews in Phase I, II and will initiate consultations in January 2019

	2018					2019												2020				
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
Regional	Completed 1 st Round Table in Apr																					
State						Rajas, Kerala, Madhya Pradesh, West Bengal					Gujarat Goa Punjab	Haryana	Andhra Pradesh Karnataka	Jharkhand, Orissa		Tamilnadu Telangana		Uttarakhand, Bihar, Jammu Kashmir		Himachal Pradesh, Chhattisgarh, Uttar Pradesh		
Reports		Phase I states												Phase II states						Phase III state		
Interviews			Gujarat Goa	Haryana Punjab	Andhra Pradesh Karnataka			Jharkhand, Orissa			Tamilnadu Telangana		Bihar Uttar Pradesh	Sikkim, Tripura,, Manipur, Uttarakhand	Himachal Pradesh, Jammu and Kashmir	Mizoram, Nagaland, Arunachal Pradesh, Chhattisgarh						
Research	Completed Delhi Maharashtra Kerala, Madhya Pradesh, West Bengal Rajasthan	Gujarat Goa	Punjab Haryana, Punjab	Andhra Pradesh Karnataka		Jharkhand, Orissa	Meghalaya, Assam	Sikkim, Tripura,, Manipur		Tamilnadu	Telangana Bihar Uttar Pradesh	Uttarakhand	Jammu and Kashmir	Himachal Pradesh Chhattisgarh	Mizoram, Nagaland, Arunachal Pradesh							
North East Regional Consultation																						
4 th RT																						
National Convention																						

Legend

Phase I		Phase II		Phase III	
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