



PRAJA'S
URBAN
GOVERNANCE
STUDY
MADHYA PRADESH



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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.

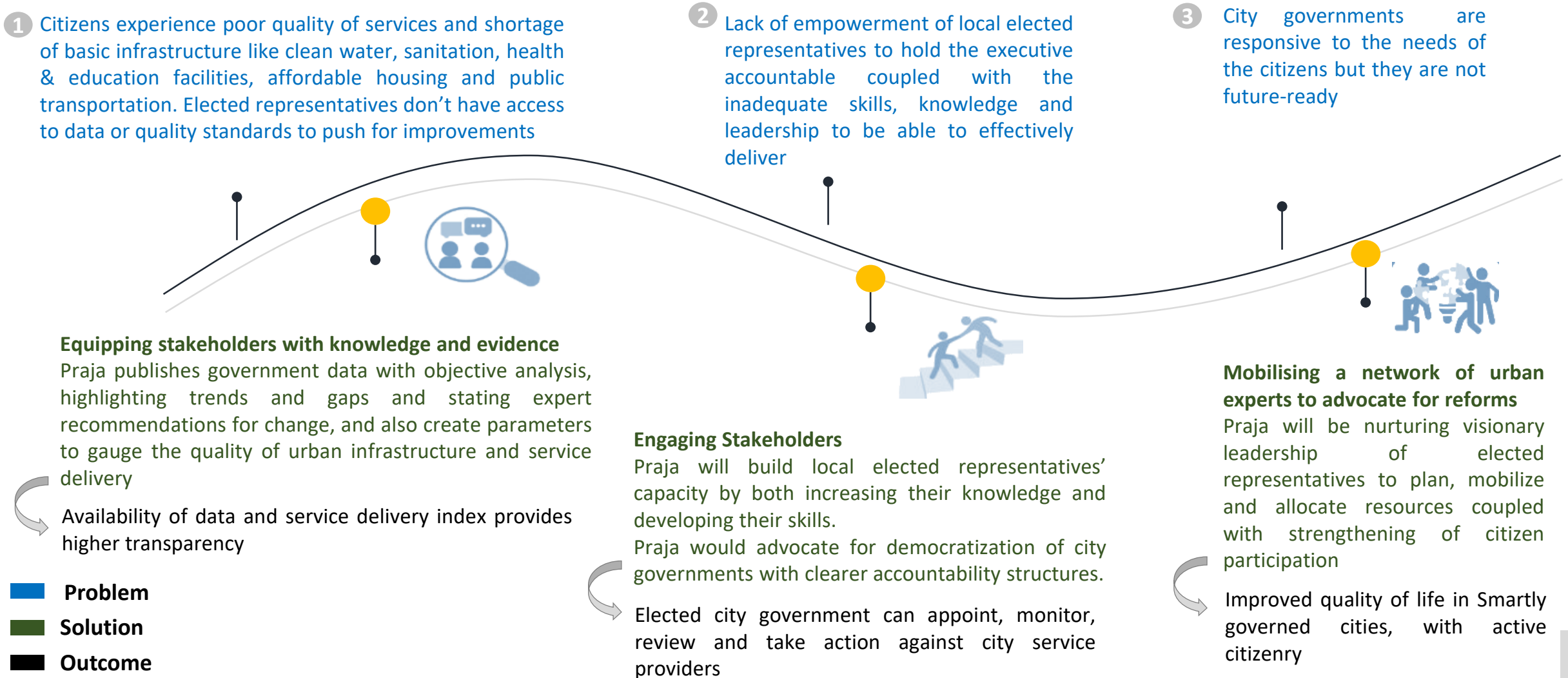
Praja is now embarking on an ambitious journey to transform urban governance, to advocate policy changes that will change the way Indian cities are governed. It will be multiyear project in nature, with research being the bedrock to form a network and influence change:

- Currently the devolution of powers and the capacity in the cities is not completely mapped. By December'2019 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."

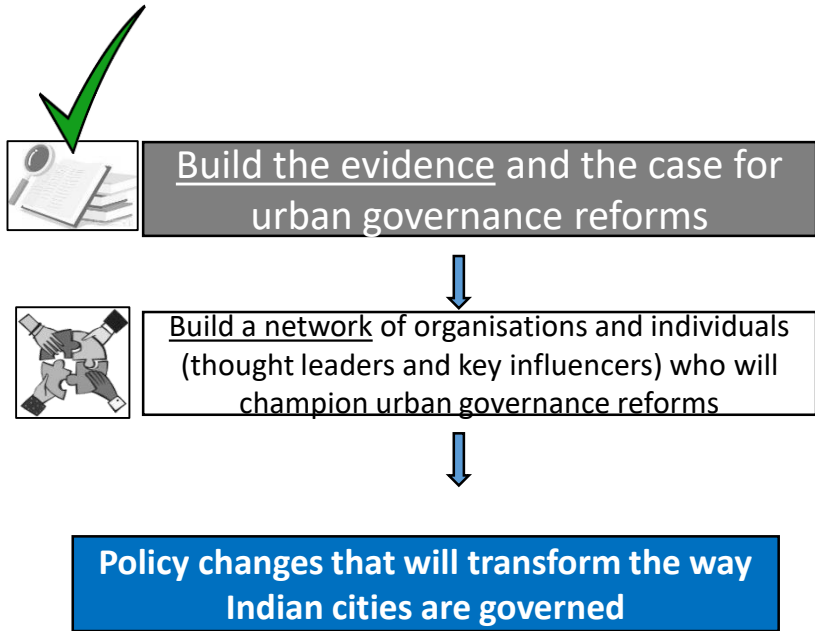


Over the past two decades Praja has been devoted to bringing transparency and is now embarking on an ambitious journey to transform urban governance





For identifying the levers and barriers in Urban Governance, Praja has initiated research on Urban Governance in India



Urban Governance Reforms

Part 1: Mapping the implementation of 74th Amendment and municipal functions

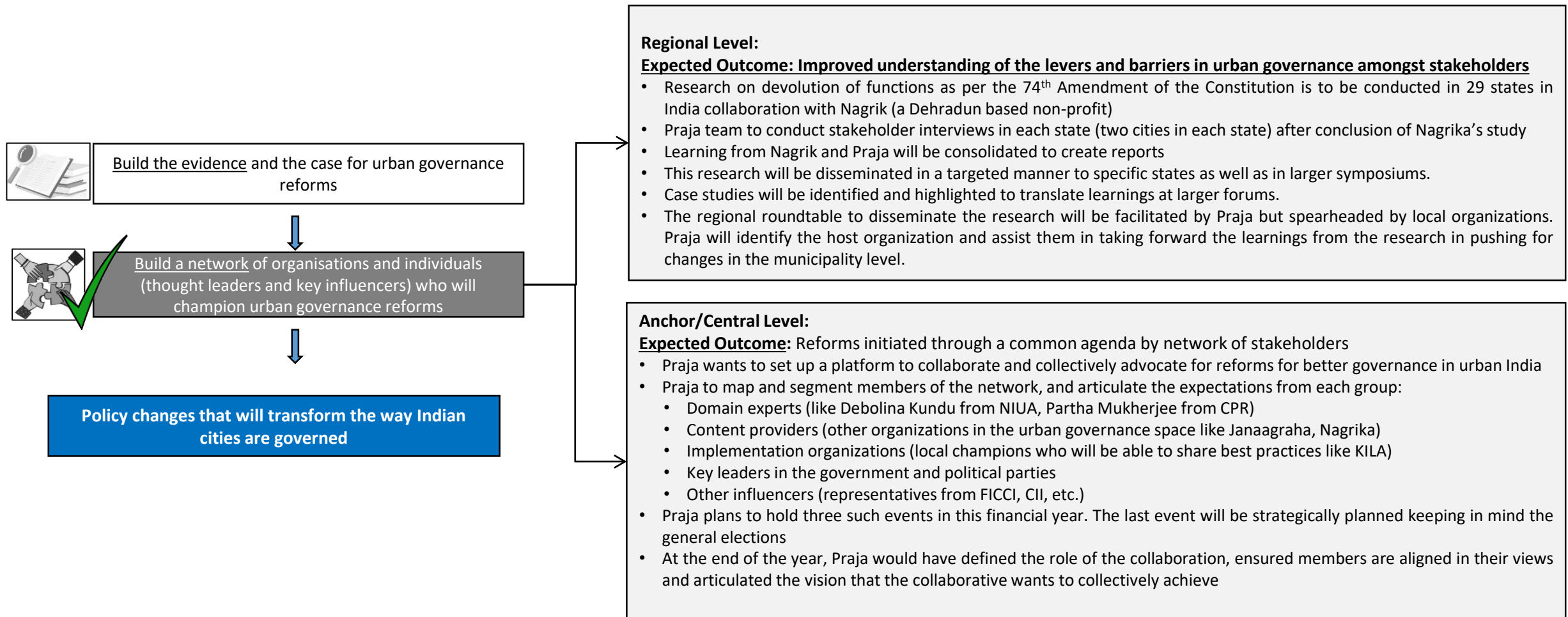
- First, a study on urban governance reforms and existing governance and institutional models in place across Indian cities.
- Mapping the implementation of 74th Amendment across Indian states/cities. We aim to do this study across 29 states.
- This is being carried out in partnership with Nagrika.

Part 2: Interviews with key stakeholders

- Second, a series of interviews with elected representatives and the Executive- to understand the urban governance challenges from the perspectives of different stakeholders.
- These interviews would provide richer insights into the motivations and relationships between the Executive and the elected wing, the challenges key stakeholders face.
- In each state we will be looking at carrying out interviews in 1 key city.



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





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 in Madhya Pradesh with multiple stakeholders over the period of one week. Nagrika team visited the cities of Bhopal and Ujjain to understand the experience of decentralization in both the cities.
3. Finally, the field insights were corroborated with secondary research to develop this report.



1	Name of city government	Ujjain	Bhopal
2	Status (Corp, MC):	Municipal Corporation	Municipal Corporation
3	Name of the District:	Ujjain	Bhopal
4	Area of the city government in sq.km	157 sq. km.	648 sq km
5	Population	5.1 lakh	18 lakh
6	No. of wards	54	85
7	Term duration of present Municipal Government	5	5
8	Name of the Mayor / President/Chairman	Meena Jonwal	Alok Sharma
9	No. of Corporators /Councillors-Elected	54	85
10	No. of Corporators /Councillors-Nominated (if not actual, based on Act)	None	None
11	Name of the Commissioner / Chief Officer/Secretary	Pratibha Pal	Avinash Lavania
12	No. of Sanctioned Posts in the city government	NA	NA
13	No. of Vacant posts in the city government	NA	NA
14	Schedule of council meetings (weekly, monthly?)	Once a month at least	Once a month at least
15	If Smart city, is there a SPV in place?	Yes	Yes
16	Have ward committees been created?	Officially Yes. Not enough evidence on their functioning	Officially Yes. Not enough evidence on their functioning
	Are there DPCs in the state?	Yes	Yes

Background:

Bhopal is governed by the Madhya Pradesh (MP) Municipal Corporation Act of 1956 and MP Municipalities Act of 1961 with various amendments. After the 74th Amendment though, the 18 functions were added in the Act though they were divided into two categories of mandatory and discretionary functions.

The provisions of a directly elected Mayor as well as MIC were also introduced. The spirit of changes in the Act after the CAA was to empower the institution of elected representatives and elements of democratic governance at local level. Ward Committees were also introduced after 1994. *Madhya Pradesh Zila Yojana Samiti Adhiniyam* was passed in 1995, which mandated the constitution of District Planning Committees (DPCs) shortly after the passing of the 74th CAA.

The Mayor

The Mayor is the Chairperson of the Corporation in Madhya Pradesh. The Mayor is directly elected by people. The Mayor functions with the support of the Mayor-in-Council and the Commissioner.

The Mayor has the administrative control over the officers of his office as well as the office of the Mayor-in-Council. Mayor has the power to direct the execution or stoppage of any work that is needed to comply to the provisions of the Madhya Pradesh Municipal Corporation Act.

The broad functions of the Mayor include:

- Constitution of MIC and conducting its meetings
- Provide consent to the Speaker for convening the meetings of the Corporation
- Approve the Agenda of the meetings as submitted by the Commissioner
- Convene special meetings within two weeks of the receipt of a written requisition signed by at least one-third of the total number of elected Councillors
- Sanction estimates or contracts as per the authority vested with him
- Refer matters to advisory committees

Recall Provision : The Act also provides for a feature on the recall of an elected Mayor under Section 24. If two thirds of the elected councillors initiate a proposal for removal of the Mayor, the Mayor must vacate his seat if majority (more than 50%) of the voters of the corporation vote for the recall. The recall, however, cannot be initiated within the first two years of the term of the Mayor



Mayor-in-council

Madhya Pradesh is amongst the few states which have a Mayor-in-Council (MIC) system. The system was one of the measures adopted in the Act after the CAA. It is constituted by the Mayor from amongst the elected Councillors within seven days of the selection of the Speaker.

In addition to the Mayor the MIC can have 5 to 10 members. The Act specifies that the MIC members can hold the office ‘during the pleasure’ of the Mayor alluding to the fact that the MIC members are chosen by the Mayor.

MICs are one of the approving agencies for the official works to be undertaken by the city government . New civil works, issue of tenders under various government schemes and other such matters have to be approved by the MIC.

The Act does not specify detailed powers for the MIC other than appointment of sub-committees to perform its functions. However, *Madhya Pradesh Municipalities (The Conduct of Business of the Mayor-In-Council/President-In-Council and the Powers and Functions of the Authorities) Rules, 1998* define the financial powers of the MIC. Also, the Rules specify that the MIC will exercise certain powers that have been vested in the Corporation including the following:

- grant of leaves to the Commissioner
- requisition of information (documents, records, plans, estimates etc.) which are connected with any matter concerned with the administration of the Municipal Corporation Act, 1956
- provide ‘extraordinary pension’ to deserving municipal officials
- provide discounts in property tax
- Determine annual letting value of land and buildings as well as appoint suitable person to do the same
- Recovery of taxes or fees by public auction or private contract lease
- Remit certain fees chargeable against non-payment of Corporation’s claims
- Reduce or transfer budget grants

Table 4: MIC Members in Ujjain

MIC Name	Mandated area
MV Jonwal	Mayor, IT and Planning
Neelurani Khatri	General Admin
Kalavati Yadav	Water Sewerage
Satyanarayan Chauhan	PWD
Radheshyam Verma	Revenue
Geeta Rajesh Chaudhary	Finance
Karuna Anand Jain	Electricity
Mangeelal Kadel	SWM
Durga Shaktingh Chaudhary	Transport
Yogeshwari Rathore	UPA
*As of March 2018	

Table 3: MIC Members in Bhopal

MIC Name	Mandated area
Krishnamohan Soni	Parks and Public Works
Aasha Jain	General Admin
Mahesh Makwana	Electricity
Surendra Badika	Water
Dinesh Yadav	Planning
Kewal Misra	Transport
Manoj Chaubey	SWM
Manjushree Baarakia	UPA
Shankar Makoria	Revenue
Bhurelal Maali	Finance and Accounts
*As of March 2018	



Speaker

The Municipal Act also provides for the office of the speaker, who is elected by the Mayor and the councilors. The speaker is responsible for presiding over the meetings of the council and share the proceedings with the Commissioner. Along with the consent of the Mayor, the Speaker is also responsible for convening the meetings, drawing the agenda and sharing it with the councilors. The speaker is known as *adhyaksh* in MP.

Commissioner

The Commissioner is the principal executive officer of the Corporation. In MP, the Commissioner can hold a term for 5 years and is appointed by the state government. The Commissioner is usually of the IAS cadre in Bhopal. Some of the functions of the Commissioner are:

- The Commissioner can contribute or participate in any meeting of the Corporation or any committee but cannot vote or move a proposal
- The Commissioner can delegate powers to other officers to carry out his/her functions
- The contracts for municipal works are made on behalf of the Corporation in the name of the Commissioner
- Commissioner is also responsible for drawing up a monthly abstract of receipt and expenditure every month and share it with the auditor and the MIC

Administrative Departments

Following table provides a summary of the departments and their functions in the city governments.

Table 4: Administrative Departments

Department	Function
Health and Environment	<ul style="list-style-type: none"> • Manages health, veterinary, garden and Lake Conservation depts. • Cleaning and hygiene works across the city • Door to Door garbage collection
Education, Social Justice, Food and Culture	<ul style="list-style-type: none"> • Manages Social Justice, Food and civil supplies, Sports, Pensions and other social security schemes • Managing NULM, pension schemes and other social security schemes • Welfare of vulnerable sections of the society
Planning and Rehabilitation	<ul style="list-style-type: none"> • Manages building permissions, encroachments, PPPs and colonies
Public Relations and Library	<ul style="list-style-type: none"> • Communication and awareness of government programs • Advertising and public relations through media • Issue of press releases
Fire Brigade and Transport	<ul style="list-style-type: none"> • Manages Fire Brigade and Central Workshop
Power	<ul style="list-style-type: none"> • Operations & Maintenance of street lighting • Lighting of parks, buildings, gardens owned by the Corporation
Engineering	<ul style="list-style-type: none"> • Responsible for engineering works within the Municipal Body
Revenue and Project	<ul style="list-style-type: none"> • Manages revenue, property taxes, projects, registration of Sahukari, and marriage registration • Collection of user charges, property tax, other tax • Maintenance of kanji houses (animal shelter)
Accounting	<ul style="list-style-type: none"> • Audit • Maintenance of payments • Budget preparation
General Administration	<ul style="list-style-type: none"> • Manages general administration, public grievance redressal, right to information and various other departments • Communicating with state/national government • Answering queries from Lok Sabha/Rajya Sabha • Personnel management for the city government s • Coordinating trainings

^[1] Based on Bhopal Municipal Corporation

No.	Functions listed in 12 th Schedule	Madhya Pradesh			
1	Urban Planning including town planning	Town and Country Planning Office; Development Authority: Capital Project Administration (Bhopal); Urban development and Housing department; City Governments.	11	Urban poverty alleviation	City Governments
2	Regulation of land-use and construction of buildings	Town and Country Planning Office; High rise committee for multi storeyed buildings; Development Authorities; MP Housing Board	12	Provision of urban amenities and facilities-parks, gardens and playgrounds	City Governments
3	Planning for economic and social development	Urban development and Housing department; City Governments	13	Promotion of cultural, educational, and aesthetic aspects	Education Department; Culture Dept.; City Governments
4	Roads and bridges	Public Works Department; City Governments ; Traffic Police	14	Burials and burial grounds, cremations, cremation grounds and electric crematoriums	City Governments
5	Water supply- domestic, industrial and commercial	Water Dept.; City Governments for Operation & Maintenance	15	Cattle pounds, prevention of cruelty to animals	City Governments ; Animal Husbandry
6	Public health, sanitation, conservancy and WM	City Governments for Solid Waste Management; Public Health and Engineering Department	16	Vital statistics including registration of births and deaths	City Governments
7	Fire services	City Governments	17	Public amenities including street lighting, parking lots, bus stops and public conveniences	City Governments ; Ujjain City Transport Services Limited (UCTSL); Bhopal City Link Limited (BCLL)
8	Urban forestry, protection of environment and ecology	Forest Dept. and City Governments ; Biodiversity Board	18	Regulation of slaughter houses and tanneries	Urban Development and Housing Department; City Governments ; Pollution Control Board
9	Safeguarding the interests of weaker sections society including the handicapped and mentally retarded	Dept. of Social Justice; City Governments			
10	Slum improvement and upgradation	City Governments ; Slum Clearance Board was dissolved			

City government control		Multiple agencies		State Control	
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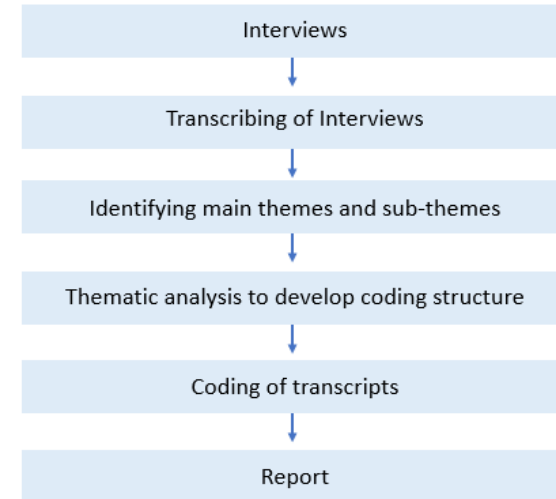
Objective

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, 17 interviews were carried out in Bhopal between 9th July to 12th July 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 17 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. Ahmedabad	E.g. Bhopal
No. of MLAs		16	7
No. of councillors		192	85
MLA	10% of total MLAs in the city or a minimum of 2 (whichever is greater)	2	2
Councillor	10% of the Councillors (or a minimum of 3 Councillors per MLA approached whichever is greater)	19	8
	3 Councillors per MLA approached (or 10% of Councillors whichever is greater)	2 x 3 = 6	2 x 3 = 6
Total sample		21	10

- 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

1.1 Mayoral System

STATUS

- The Mayor is directly elected by the public. He has a tenure of 5 years. And then each councillor wins from his respective ward.
- The party in majority forms the Mayor in Council (MIC), where senior or experienced councillors hold the MIC positions.
- Every member of MIC has given particular service department to look into. If any projects come in MIC, all members discuss about it.
- While passing any projects it is important to have agreement of at least 5 members within the MIC. Then it is brought to the council.
- The Mayor has financial powers to pass projects up to 5 crores, and the MIC has powers up to 10 crores
- The final approval for any project is given by the council which includes councillors, commissioner, mayor and speaker.
- There is also a speaker of the house, whose roles are similar to that of the speaker in the Parliament.
- Earlier Madhya Pradesh followed the standing committee model, which was then changed to Mayor in Council system.

Levers

- Having a directly elected mayor, allows citizens to have accountability on their elected representative. Administration also realises the mandate of the people.
- MIC is considered a powerful body.
- Appointment powers of Class 3 and Class 4 employee's and even promotion is within the power of the MIC.
- The commissioner is the administrative head, if he can move around his employees within departments, but if the city engineer needs to be appointed that cannot happen without the approval of the MIC.
- MIC acts as Intermediator. It is body for fast track decisions.

Barriers

- Since the MIC consists of only the party in power the opposition has little role to play.

"All major decisions related to the city are undertaken by the MIC. The MIC does not prioritise the opposition's opinions at all."- Councillor

"MIC is undemocratic, since all the major project decisions are taken by the party in power."- CSO

KEY TAKEAWAYS

- **Directly Elected Mayor and Mayor-in-Council**
- **Empowered Mayor-in-Council – Administrative & Executive Powers, body to fast track decisions**
- **Directly elected - Mayor is the head of the corporation**
- **Municipal Stability as Mayor and Mayor in council, term is for 5 years**

1.2 Role of a Councillor and Ward Committee

STATUS

- Total 85 councillors in Bhopal
- Councillors believe, looking after delivery of services such as water supply, lighting, drainage, roads and park development is their job.
- Councillors usually approach officers from corporation to solve issues of people from their ward.
- Councillors get to use 25% from the total revenue collected from their ward.

The councillor is the smallest but the most critical component of governance in BMC.

Councillor

Ward Committee:

Each zone consists of around five administrative wards. There are ward committees held at the zonal level. These committees include five councillors and one chairperson. This meeting happens once in two months and six times in a year.

Levers

Rapport with officers

- Good coordination with Administrative officer
- Whenever there is a problem, chairperson calls for a meeting and councillors raise questions in the house to resolve the problem.

Dealing with other agencies

- Even if some services are not provided by the corporation, the councillors have to deal with it.

People come with various issues to me, even if some issues are out of jurisdiction of corporation we have intervene and solve it. we councillors approach other agencies as well to solve the issues. - **Councillor**

- Ward Committee held at zonal level useful forum for councillors to make plans.

“In ward committees we discuss what is lacking in our wards, and how do we go about the services, schemes which are coming from top.”

Councillor

Barriers

- Councillors are unable to hire their own staff to support them in carrying out their responsibilities

KEY TAKEAWAYS

- **Councillors believe Supervision of service delivery as their role**
- **Councillors have good rapport with Executives**
- **Councillors deal with multiple agencies whenever necessary.**
- **There is scope to further decentralise zonal level committees to administrative ward level committees.**

STATUS

- Smart City project has been active and Special Purpose Vehicles (SPV) have been constituted in Bhopal
- The Commissioner is put as the Managing director and other additional commissioners are given dual charge that of the corporation and SPV projects to ensure smooth coordination.

“AMRUT is a great project gives the surplus fund, big budget projects were included, like channelization of sewerage system, water tanks these are projects not feasible under our funds or MLA funds.”- Councillor

Smart city mission is under the SPV and there is no role for Mayor. What is the use conducting elections? It does not honour spirit of democracy. Plotting democracy by creating parastatal and SPVs. – CSO

It's way of working is different and not related to our working at all. Its roles are decided by the collector and the officers employed for the Smart City Mission. - Admin

Levers

- Smart city mission appreciated as a surplus investment being made in city services
- Commissioner is the Executive Director , and the mayor is also there. So the corporation by virtue is involved in the process. Additional commissioners also work with smart city mission. So corporation priorities are well understood.
- The commissioner has the power to transfer manpower between the SPV and the corporation.
- It has enabled investment in advanced technologies, and galvanized the process of e-governance.
- Areas unrecognized by the corporation due to issues, have problems to access corporation services, here external projects under smart city mission have helped.

“Mayor and commissioner have been included in the administrative board committee. So corporation has say in the smart city mission. Can give suggestions.” – UD Dept, State Gov.

Barriers

- No work is being done in Old Bhopal under the mission. In some places, the street lights have been changed. Areas where development is a priority and require investment are not included in the mission.
- Councillors can't give suggestions as they are not part of the committee. Can only provide suggestions through mayor.
- The Mayor though a part of the committee is believed to not have decision making powers over the SPV.

KEY TAKEAWAYS

- **Smart city mission appreciated for surplus investment in City infrastructure projects**
- **Councillors don't have a direct participation in Smart City, represented through Mayor and Commissioner**
- **Commissioner has power to allocate manpower between SPV and Corporation**
- **The Mayor is believed to not have decision making powers under Smart City Mission**

STATUS

- There are various agencies which work in Bhopal;
- Capital Project Administration (CPA)- undertakes the Construction, Development & Maintenance of Roads, Parks & Buildings, and has control over land
- Public Works Department (PWD), construction and maintenance of government assets
- Urban development and Housing department (UDHD) overseeing urban sector reforms and capital investment in infrastructure.
- Public Health and Engineering Department (PHED) looks after Planning, design and construction of the water supply, sewerage and drainage projects of the municipal corporations

“There should be a forum where they meet 2-3 months to see if the bodies are coordinating. It can avoid double costs and increase the shelf life of these facilities.”

“Yes, there are issues due to multiple agencies in the city. There is no nodal agency which can keep watch and coordinate among all agencies. Nodal officer should be appointed as well.”

“There should be one map and one authority, all the planning should be within it.”- Executive

Levers

- Coordination between government agencies often done from the MLA’s office
- Mapping role of multiple agencies: The committee was formed under supervision of Chief minister in order bring coordination among different agencies in Bhopal. Which agency has what role will be decided, in the report which has not come yet.

“There was a proposal to merge all agencies in corporation before I became councillor, however due to some political reasons it could not happen.”- Councillor

Barriers

- Some roads overlap with PWD. To coordinate and get it done the problems often escalate to the Mayor and State minister to get it resolved.
- Coordination with private agencies makes it difficulty in getting accountability.
- Agencies have to take No objection certificates from the corporation but do not involve the corporation’s opinion in such planning
- Further problem when land ownership is not with the corporation and NOC (no objection certificate) is required, but not received within time and the work gets delayed.
- Citizens are unaware of agencies and think all roads come under corporation.

KEY TAKEAWAYS

- **There is coordination issue between multiple agencies which leads to issues in accountability**
- **There has been talk about creating a coordinating agency but has not been implemented**

STATUS

- Service delivery integrated strongly with government schemes, Swachh Bharat Mission, and Narmada Connections etc.
- Water and cleanliness was agreed upon as a successfully delivered service.
- Madhya Pradesh service guarantee act – covers several services that have to be resolved within fixed timelines

“Mainly we are facing challenges in providing good drainage system. We have old drainage lines, that are outdated and burdened.” – Councillor

Levers

- Waste management, a state and city government priority. Investment by the central government, and motivated by the guidelines.
- Wards have been divided in such a way where there are colonies and slums, so that there is integrated development.

Barriers

- Tools and equipment's such as Sewerage cars are not adequate.
- There are delays in getting service delivery issues resolved, due to procedures requiring a lot of official paperwork.
- Old Bhopal, suffers from outdated systems in place, for sewage, drainage and water supply. The development is overlooked to upgrade the new areas of the city.

“Any development should take place keeping in mind the development of the old parts of the city as well. Somewhere, this is the reason why our systems are failing all over the country.”- Councillor

KEY TAKEAWAYS

- **Solid Waste Management is seen as a success story of service delivery, priority of the state**
- **Madhya Pradesh Service Guarantee Act, resolves service issues within timeframes**

STATUS

- Hiring of employees is done by the state government
- Appointment powers of Class 3 and Class 4 employee's and even promotion is within the power of the MIC.
- The commissioner is the administrative head, if he can move around his employees within departments, but if the city engineer needs to be appointed that cannot happen without the approval of the MIC.

Barriers

- Inadequate manpower
- We can't recruit by our own we have to take permission from state.
- In Madhya Pradesh there is no structure available for capacity building for the urban local bodies, however there is such training available by the ministry of rural development, for panchayat raj bodies.
- There is big mismatch between functions and number of functionaries, and a mismatch in terms of allocation of jobs.
- Skilled staff is missing. The manpower recruitment and remapping haven't happened in a while.

"Because of this lack of employees, we are not able to deliver our services completely. We cannot hire employees on our own." - Councillor

KEY TAKEAWAYS

- **Inadequacy of Manpower**
- **Corporation is not able to hire its own manpower**



STATUS

Budget

- Total budget is around 2000 crores
- State provides grants whereas central gov. through various schemes & policies, provides additional financial support.
- The budget is first made at the administrative level, the commissioner then sends it to the MIC for approval, and then its presented finally and approved by the house. The mayor presents the budget.
- The final authority lies with the assembly of all councillors.

Councillor Fund

- Councillors get around 50 lakhs per year as development of the ward.
- In addition there is municipal fund, in case of big project or emergency, councillors can apply for it.

Sources of revenue

- The property tax is the major source of revenue
- Other sources include licensing, water charges, Building and land rents
- Entertainment tax & Advertisement tax were given to corporation after GST was enforced

Financial powers to sanction projects:

- Commissioner- Upto 2 crores
- Mayor- Upto 5 crores
- MIC- Upto 10 crores
- Assembly- All projects above 10 crores

Levers

Councillors participation

- Councillors are able to participate in budget making process and can give suggestions and raise objections in the assembly.

Potential sources of revenue

- State Government formed a committee to look for other sources of revenue.
- Open to looking for other sources such as municipal bonds.

Barriers

Budget inadequacy

- Large dependency on central government aids, and state aids, property tax principal revenue source.
- The revenue of the corporation, up to 65% expenditure is on establishment cost

Mismatch between revenue collection & expenditure

- The revenue generated does not suffice the cost of providing services. Maintenance bills of water, electricity are all high.

Big projects

- Believed that the corporation should focus on delivery on basic services since utilization of funds for large projects leads to budget shortage for basic services.

“Our budget gets messy when we take up large scale projects and then assume money will come from multiple channels, but they forget that debts will also be paid to these lenders. The big projects can be handled by agencies like PWD etc.” – CSO

Inefficient revenue collection

- Revenue collection is also inefficient within the resources that exist.

It is not sufficient, the rates at which they are collected is really low. The rate has not been revised.

Councillor

KEY TAKEAWAYS

- Budget is inadequate
- Other sources of revenue are being considered such as Municipal Bonds
- 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	Bhopal	Status in other cities
Interviews Conducted	<ul style="list-style-type: none">• 16 total including 9 ER, 6 Executive and 1 CSO	<ul style="list-style-type: none">• Total 86 including in Mumbai, Delhi, Kochi Bhopal, Kolkata.
Governing Acts	<ul style="list-style-type: none">• Madhya Pradesh Municipal Corporation Act of 1956	<ul style="list-style-type: none">• Different acts for different states, cities.
Service Delivery	<ul style="list-style-type: none">• 6 functions are under city control• 10 are handled by multiple agencies• 2 are under the State control• However, in practice there are multiple state level parastatal agencies that are involved in various aspects of these functions.	<ul style="list-style-type: none">• All functions have been devolved in Mumbai.
Municipal Finance	<ul style="list-style-type: none">• Budget is adequate.• Dependency on state government for funds.	<ul style="list-style-type: none">• Mumbai- The revenue collection efficiency is good in Mumbai. If the citizens fail to pay taxes, water supply services are cut off as penalty. Budget is adequate rather there is underutilisation of the funds.
Mayoral System	<ul style="list-style-type: none">• Directly elected Mayor with tenure of 5 years.• Mayor-in-council present• Right to recall mayor	<ul style="list-style-type: none">• Kolkata has Mayor in council system.• Mumbai, Delhi, Kochi and Udaipur have indirectly elected mayoral system.



Reform Areas	Bhopal	Status in other cities
Multiple Agencies	<ul style="list-style-type: none">• Capital Project Administration (CPA), Public Works Department (PWD), Urban development and Housing department (UDHD) , Public Health and Engineering Department (PHED) are involved in service delivery in Bhopal.• Bhopal is working towards making unified body which will have control over all functions. Proposal has been given to the state.	<ul style="list-style-type: none">• Multiple agencies are creating problems for efficient service delivery in cities like Mumbai, Delhi, Udaipur, Kolkata.
Urban Reforms (smart city mission)	<ul style="list-style-type: none">• Smart City mission has been implemented• Bhopal Municipal Corporation has control over SPV to some extent.	<ul style="list-style-type: none">• Mumbai and Kolkata have withdrawn from the Smart city mission.• Kochi corporation does not have control over SPV. Mayor and secretary are member of SPV for the namesake.• Councillors are unable to give proposals in Kochi.
Citizen participation	<ul style="list-style-type: none">• Only zonal level ward committees for administrative purposes• Currently no platforms for citizens to participate in governance.	<ul style="list-style-type: none">• No ward sabhas in other cities like Mumbai, Delhi, Kolkata.• Public consultation is lacking.• In Kochi, Ward Sabhas are conducted once in three months. People raise their issues and give proposals

Sr. No	Functions	Delhi	Mumbai	Kochi	Bhopal	Udaipur	Kolkata
1	Urban planning including town planning.	Urban planning is done by the Delhi Development Authority (DDA) but, with the extension of the 74th Amendment, it will devolve to the municipalities, ward committees, and later, to the local urban bodies.	MMRDA, MHADA(Maharashtra Housing And Urban Development Authority) and MSRDC(Maharashtra State Road Development Corp) with different agencies oversee urban planning. Town planning and zoning laws barely exist in Mumbai, one of the most populous global cities.	TCPO. 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; Development Authority: Capital Project Administration (Bhopal); DUDA; BMC	Master plan prepared by Town and Country Planning (TCP) and implemented by Urban Improvement Trust (UIT)	KMC, WB Govt.
2	Regulation of land-use and construction of buildings.	In Delhi the formulation of the land use pattern and building byelaws is left to the DDA, and Municipality is only the executor.	MMRDA(Mumbai Metropolitan Region Development Authority) oversees regulation of land use and construction of buildings.	TCPO. City government has the power to sanction building plan approvals.	TCPO; High rise committee for multi storeyed buildings: Development Authorities; MP Housing Board		KMC, WB Govt.
3	Planning for economic and social development	Municipalities have never planned for generation of employment. Empowering them for economic development would require greater funding.	Task remains with state government. MCGM has partial or no say. Overseen by MMRDA and SRA.	City government; DPC; Ward Committees;	DUDA; BMC	UIT and Udaipur Municipal Corporation (UMC)	KMC, WB Govt.
4	Roads and bridges.	The roads and bridges are generally constructed by the Public Works Department in most States.	Overseen by MCGM	City government. Roads and Bridges Development Corporation of Kerala (RBDCK)	PWD; City governments; Traffic Police	UIT, UMC, RSRDC	KMC, WB Govt.
5	Water supply for domestic, industrial and commercial purposes	The Delhi Jal Board is the responsible agency in Delhi. It is responsible for the functions of water supply, sewerage and sewage disposal and drainage within the National Capital Territory of Delhi.	Overseen by MCGM		Water Dept.; BMC for O&M		KMC

Sr. No	Functions	Delhi	Mumbai	Kochi	Bhopal	Udaipur	Kolkata
6	Public health, sanitation conservancy and solid waste management.	Primarily done by the municipalities.	Overseen by MCGM	City government; State health department	BMC for SWM;PHED; Health Dept	PHED, UIT, UMC, State Govt.	KMC, WB Govt.
7	Fire services	Largely taken care of by the Fire Service Department, which is under the Delhi Government.	Overseen by MCGM	Kerala Fire and Rescue Services	BMC	UMC	WB Govt.
8	Urban forestry, protection of the environment and promotion of ecological aspects.	Primarily done through the Department of Environment of Delhi Government.	Overseen by MMR and MCGM	Forest and Wild life department.	Forest Dept. and BMC; Biodiversity Board	UIT, UMC	WB Govt.
9	Slum improvement and upgradation	Primarily done by the Municipality under a separate wing called Slum and JJ Wing of MCD headed by an additional commission but in Delhi it is also done by DDA.	Primarily done by Slum rehabilitation authority (SRA), MHADA and MMRDA	City government	Dept. of Social Justice; BMC	UIT and UMC	KMC, WB Govt.
10	Urban poverty alleviation	This is done through the central and state government Ministry	This is done through the central and state government Ministry	Kudumsree. City governments	BMC; Slum Clearance Board was dissolved	MoUD, MoHUPA, UMC	KMC, Wb Govt.
11	Provision of urban amenities and facilities such as parks, gardens, playgrounds	Primarily taken care of by municipalities	Overseen by MCGM	Kudumsree. City governments	BMC	UMC, UIT	KMC, WB Govt.
12	Burials and burial grounds; cremations, cremation grounds	Municipalities have to maintain these.	Overseen by MCGM	City government	BMC	UMC	KMC, WB Govt.
13	Cattle pounds; prevention of cruelty to animals	Municipalities have to maintain these.	Overseen by MCGM	City government	Education Department; Culture Dept.; BMC	UMC	WB Govt.

Sr. No	Functions	Delhi	Mumbai	Kochi	Bhopal	Udaipur	Kolkata
14	Vital statistics including street lighting, parking lots, bus stops	The district administration and Municipalities have to maintain the records.	Overseen by MCGM	City government	BMC	UMC	KMC, WB Govt.
15	Regulation of slaughter houses and tanneries	Municipalities have to maintain these.	Overseen by MCGM	City government	BMC, Animal Husbandry	UMC	KMC, WB Govt.
16	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded	Department of Social Welfare of Delhi Government and Ministry of Social Welfare of Government of India makes provisions and plans.	Overseen by Social justice and special assistance department- Govt. of Maharashtra and Ministry of Social Welfare of Government of India	City government	BMC	UIT and UMC	KMC, WB Govt.
17	Promotion of cultural, educational and aesthetic aspects.	DDA and MCD together ensure its maintenance.	Overseen by Ministry of cultural affairs- Maharashtra and MCGM	City government	BMC, Ujjain City Transport Services Limited (UCTSL); Bhopal City Link Limited (BCLL)	UMC, PWD	KMC, WB Govt
18	Public amenities including street lighting, parking lots, bus slops and public conveniences.	Municipalities have to maintain these.	Overseen by MCGM	City government	UDHD; BMC; Pollution Control Board	PWD, UMC	KMC, WB Govt.



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?



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. We have initiated State Level Consultations, and have already completed the same in Kochi and Udaipur



	2018					2019												2020	
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Research	Completed Delhi Maharashtra Kerala, MP, West Bengal Rajasthan	Gujarat Goa	Haryana Punjab	Andhra Karnataka		Jharkhand, Orissa	Tamil Telangana	Chhattisgarh Bihar	Nagaland Tripura, Mizoram + Meghalaya Manipur	Sikkim, Arunachal, Assam		UP JK	HP Uttrakhand						
Interviews			Gujarat Goa	Haryana Punjab	Andhra Karnataka		Jharkhand, Orissa	Tamil Telangana		Tripura, Mizoram + Meghalaya	Manipur Nagaland Chhattisgarh Bihar	Sikkim, Arunachal, Assam		UP JK	HP Uttrakhand				
Reports		Phase I states				Phase II states			Phase III states			Phase IV states					Phase V states		
State						Rajas, Kerala, MP WB					Gujarat Goa Andhra Karnataka	Haryana Punjab	Sikkim, Arunachal, Assam	Tamil Telangana	Tripura, Mizoram + Meghalaya Manipur Nagaland	Chhattisgarh Bihar	Jharkhand, Orissa UP JK HP Uttrakhand		
Regional	Completed 1 st Round Table in Apr						2 nd RT		3 rd RT			4 th RT			5 th RT			6 th RT	National Convention

Legend

Phase I	Phase II	Phase III	Phase IV	Phase V
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