

Decentralised Planning and Municipalities in India

**A Presentation
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■ **In the latter part of 50's:**

- **Three Tier Panchayats came into existence as Development Agencies following the Balwantrai Mehta Report of 1957**
- **Panchayati Raj, a process from Gram Sabha to Lok Sabha was a subject of discussion and debate.**
- **Since 1978 Panchayats were seen as Political Institutions.**
- **The milestones were the Ashok Mehta Committee Report (1978) and the West Bengal Panchayat Elections (1977)**



**In 1989 Rajiv Gandhi
introduced the 64th CA Bill
on 15th May and 65th CA Bill
on 7 August.**



- **In the mid-80s District Government Idea was debated**
- **Panchayats became Institutions of Self-Government in Part IX of the Constitution (Article 243G) on 24 April 1993.**
- **Municipalities became Institutions of Self-Government (Part IX A Article 243 P(e) & W) of the Constitution on June 1, 1993.**
- **Within one year all States passed conformity legislations**



Article 243Q of the Constitution states that:

- **A Municipal Corporation shall be constituted for a larger urban area**
- **A Municipal Council for a smaller urban area**
- **A Nagar Panchayat for an area, which is in the process of transition from rural to urban**




Salient Features

- Panchayats and Municipalities will be “institutions of self-government”.
- Seats at all levels filled by direct election
- Seats reserved for Scheduled Castes (SCs) and chairpersons at all levels also shall be reserved for SCs and STs in proportion to their population.
- Not less than one-third of the total number of seats reserved for women. One-third of the seats reserved for SCs and STs also reserved for women. One-third offices of chairpersons at all levels reserved for women.



- **Uniform five year term and elections to constitute new bodies to be completed before the expiry of the term. In the event of dissolution, elections compulsorily within six months**
- **Independent Election Commission in each state for superintendence, direction and control of the electoral rolls.**
- **9.74th Amendment provides for a District Planning Committee to consolidate the plans prepared by panchayats and Municipalities.**





- Funds: Budgetary allocation from state governments, revenue of certain taxes, collect and retain the revenue it raises, Central Government programmes and Grants.

- In each State a Finance Commission to determine the principles on the basis of which adequate financial resources would be ensured for panchayats and municipalities.

243W(a) the Municipalities with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon Municipalities, subject to such conditions as may be specified therein, with respect to:

- (i) the preparation of plans for economic development and social justice;**
- (ii) the performance of functions and the implementation of schemes as may be entrusted to them including those in relation to the matters listed in the Twelfth Schedule**



Constitution of Municipalities

We have today

109 Municipal Corporations

1432 Municipal Councils

2182 Nagar Panchayats

Source: Twelfth Finance Commission Report



Items Listed in the 12th Schedule

1. **Urban Planning including town planning**
2. **Regulation of land use and construction of buildings**
3. **Planning for economic and social development**
4. **Roads and bridges**
5. **Water supply for domestic, industrial and commercial purposes**



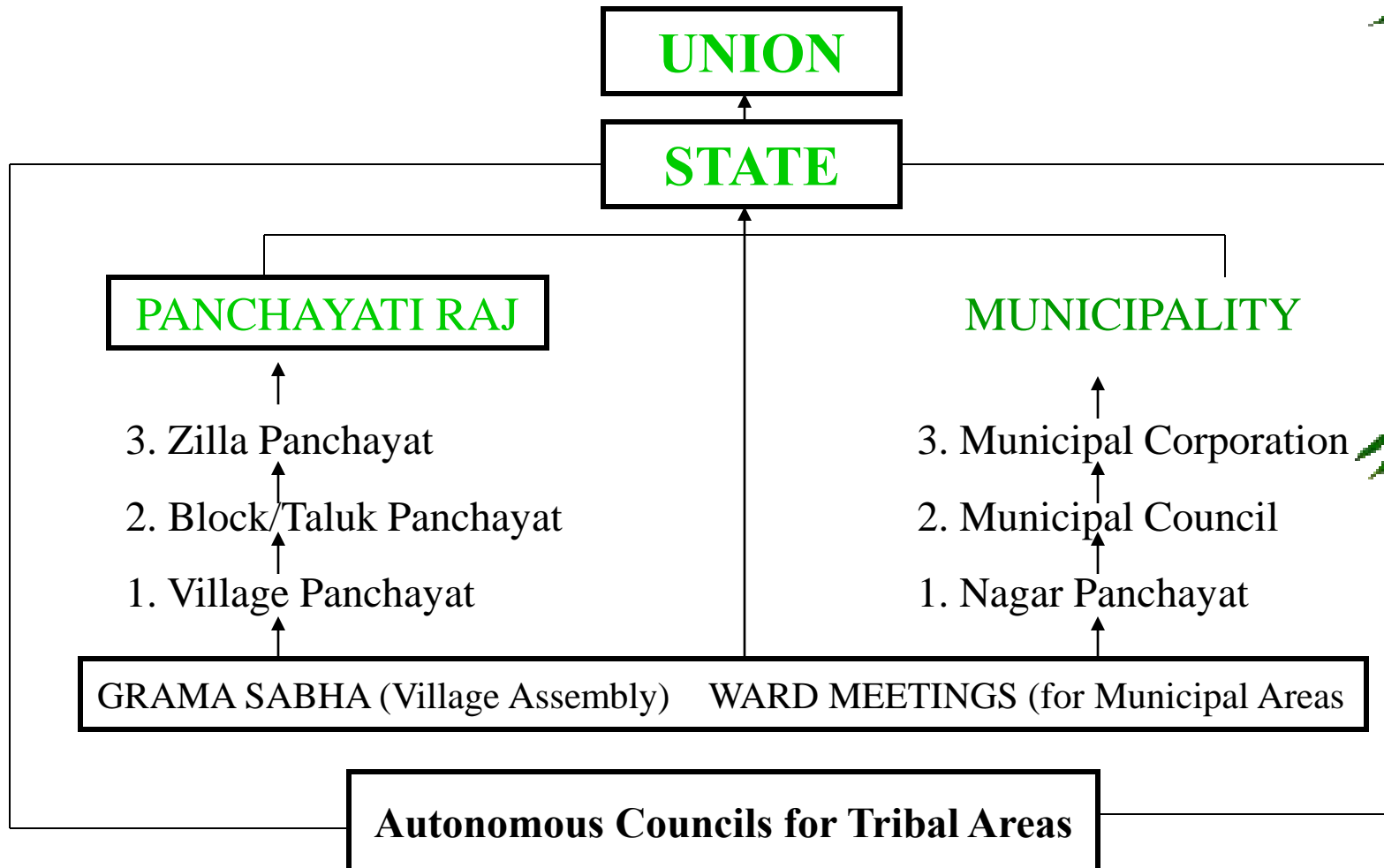
6. **Public health, sanitation, conservancy and solid waste management**
7. **Fire Services**
8. **Urban forestry, protection of the environment and promotion of ecological aspects**
9. **Safeguarding the interests of the weaker sections of the society including the handicapped and the mentally retarded**
10. **Slum improvement and upgradation**
11. **Urban poverty alleviation**



12. **Provision of urban amenities and facilities such as parks, gardens, playgrounds**
13. **Promotion of cultural, educational and aesthetic aspects**
14. **Burials and burial grounds; cremation grounds and electric crematoriums**
15. **Cattle pounds, prevention of cruelty to animals**
16. **Vital statistics including registration of births and deaths**
17. **Public amenities including street-lighting, bus stops, public conveniences**
18. **Regulation of slaughterhouses and tenneries**



Implication of Panchayati Raj/Municipalities as the Third Tier of Governance on India's Federal Structure



Autonomous Councils are created in some States like West Bengal, Jharkhand, Jammu & Kashmir and Assam for administration and development of certain areas with special features. But they also have statutory local bodies

Widening Democratic Base

After the 73rd and 74th Amendments the Democratic base has widened enormously enabling Horizontal Planning and Implementation of Development Programmes



First Stratum
UNION

**Two Houses of Parliament have 793
Members**

Lok Sabha - 543
Rajya Sabha - 250



Second Stratum

STATE & UNION TERRITORIES

**28 State Assemblies and
Two Union Territories have
4508 Members**



TOTAL ELECTED MEMBERS AT THE UNION AND STATE LEVEL

5301



PM's Letter to AP CM 27-4-01

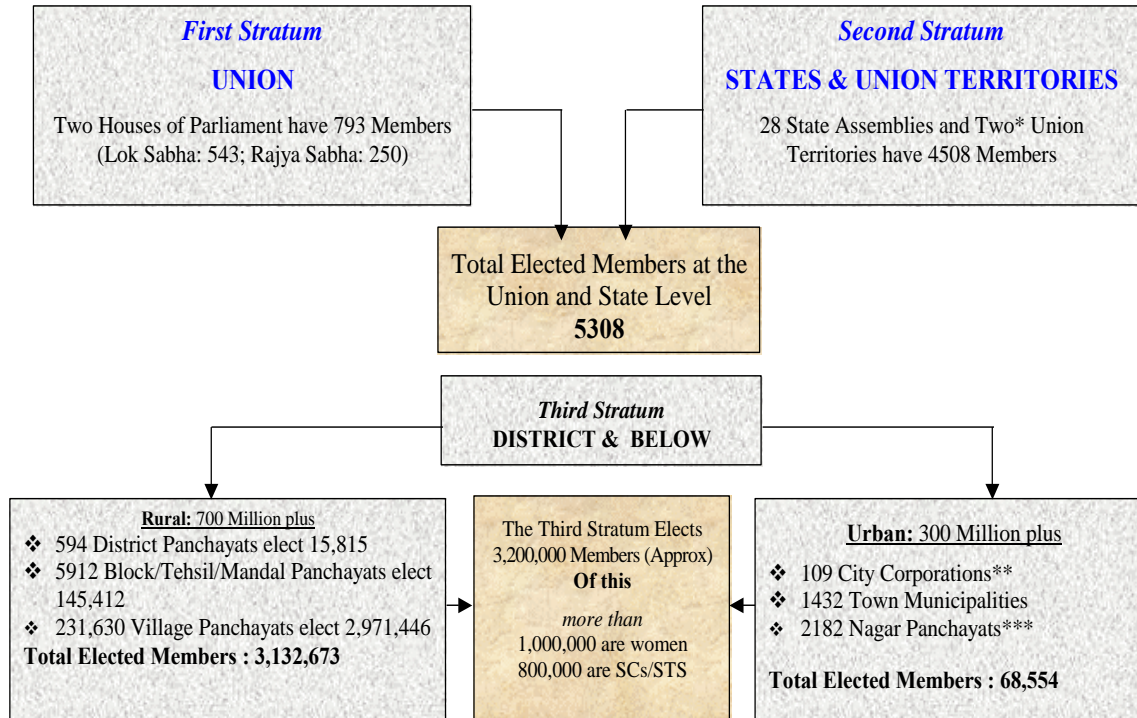
“Consequent to the Amendment, Panchayats have been visualized as the 3rd tier of governance in the federal polity”



Third Stratum
District and Below elects
Nearly 3 Lakh
Members



Multi-Level Federalism and Widening Democratic Base after the 73rd and 74th Constitution Amendments



* Only two Union Territories (Delhi and Pondicherry) out of seven have elected Assemblies. ** Population above 300,000 *** Areas in transition.
 One-third of all the Panchayats and City Corporations/Municipalities/Nagar Panchayats are headed by women as Presidents, Mayors. About one-fourth are headed by hitherto untouchables (Scheduled Castes) and Scheduled Tribes.
 Source: Institute of Social Sciences, Panchayati Raj Research.



Principle of Decentralisation

- A. Not administrative deconcentration
Not administrative delegation

It is:

Political-Democratic Decentralisation making elected representatives accountable to the people

with

Administrative decentralisation empowering these governments to employ officials: i.e., making local officials accountable to elected representatives/officials



B. Principle Subsidiarity

**Representatives must be exercised
by the lowest level of government
unless a convincing case can be
made for higher assignment**











Functional Domain

- 📁 **The functional domain basically relates to the functions that have been assigned to the Municipalities to perform**
- 📁 **Article 243G and 243W of the Constitution provide for the State laws to endow the Panchayats and Municipalities “with such powers and authority as may be necessary to enable them to function as Institutions of Self-Government.”**












Obligatory functions:


-  **Water supply**
-  **Construction and maintenance of public streets**
-  **Regulation of offensive, dangerous and obnoxious trades and callings or practices**
-  **Maintenance and support of public hospitals**
-  **Establishment and maintenance of public schools**
-  **Registration of births and deaths**
-  **Removing objections and projections in public streets, bridges and other places**
-  **Naming streets and numbering houses**





Discretionary Functions:


-  **Laying out of areas**
-  **Securing or removal of dangerous buildings or places**
-  **Construction and maintenance of public parks, gardens, libraries, museums, rest houses, leper homes, orphanages and rescue homes for women; and public buildings**
-  **Planting and maintenance of roadside and other trees**
-  **Housing for low income groups**
-  **Conducting surveys**
-  **Organizing public receptions, public exhibitions, public entertainment**
-  **Provision of transport facilities with the municipality**
-  **Promotion of welfare of municipal employees**





A vertical green leafy branch is positioned on the right side of the slide, extending from the top to the bottom.

 In Kerala under section 30 of the Municipality Act, 1994, 165 functions into 29 groups of items have been transferred to the local bodies. This is the most elaborate list of functions assigned to Municipalities in any state. A major function entrusted to the Municipalities in Kerala is planning and implementation of various developmental projects in the productive, infrastructure and social service sectors.






 In Kerala a function can be transferred to the local government in any form through an Act, notification or government order, but once function is transferred it can be taken back only with the consent of the legislature.

 In many states functions are assigned by regulations or government orders, they subsequently depend on the rules and regulations specified by the Government.


 Even if functions are assigned to the local govts. the Municipalities find it difficulty to discharge the responsibilities because the governments have not transferred the requisite resources

 So, functions, functionaries and funds should go together.


-  **Article 243X states that a state may by law authorize a Municipality to levy and collect property taxes, duties, toll and fees.**
-  **SFC will review the finance position of Municipalities and make recommendations regarding distribution of taxes between states and Municipalities.**
-  **But SFC functions strictly by the terms of reference provided by the State.**



Questions


 **Isn't the Mayor-in-Council System the best way for municipalities to function as Institutions of Local Government? Then why this change not taking place?**





**Should there be parastatals?
How they are helping the
Municipalities to function as
Institutions of Self-
Government?**





**Shouldn't we have a Ministry of
Local Government and not a
Ministry of Panchayati Raj and
Ministry of Urban Development?**



THANK YOU

