

# **Introduction**

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## **Growth of Urban India**

The population of India was 683 million in 1981 and is projected to touch 1.3 billion by 2021. 53.3% of the population shall live in cities by then, a significant increase from 23.3% in 1981.

Thus we can expect tremendous urban growth in the coming decade and the cities will have to rise to the challenge of meeting the expanding demands for infrastructure and services.

## **History of Urban Governance**

Before independence, all local functions like roads, water supply, drainage, sanitation and street lighting were under the Municipality. Post-independence, there has been a diversion of Municipal functions to other bodies, like the Delhi Development Authority, Delhi Jal Board, State Electricity Board and the Housing Development Board.

This has led to centralized planning and administration of public services. Many decisions made by such bodies are inconsistent with the demands of the people. The citizens find it extremely hard to have their grievances heard and suggestions accepted. The boards lack transparency and accountability. This is one reason why the services in Delhi do not meet the citizen's expectations.

Three-tier federal system is prevalent in democracies across the world. India does not have any history of multi-tiered

government system. The Constitution (Seventy-Fourth Amendment) Act, 1992 brought significant changes to the urban governance structure in India. Although it applies to both rural and urban governance, its provisions are far stronger for rural areas than urban. The three-tier government for rural areas viz. Zilla Panchayat, Taluk Panchayat and Gram Panchayat empowers every citizen. But the same is not true for urban areas, the provisions for which were more of an after-thought. The Amendment recommended the reforms but delegated crucial legislation to the states. Most states have implemented it poorly due to which, the Municipal Corporation and the Ward Committees are feebly successful, if at all, in granting any power to the ordinary urban citizen. The Ward Committees are inadequate in being able to be representative of all the citizens. As suggested by Mr. Ramanathan in his paper, there is a need to go one level below the Ward Committee, to that of an Area Sabha, that will be able to involve more citizens in decision-making.

### **Why Ward-level Management**

Managing public services at Ward level (vis-à-vis at State or Municipal level) helps reflect the aspirations of the local people, who are direct stakeholders in those projects. If citizens are involved in the decision-making through Wards Committees, then we can achieve participatory democracy at the lowest level of governance.

The government provides subsidies to the poor through various schemes. But it is common knowledge that many times the money is siphoned away by the intermediaries. Providing subsidies at the ward level can help in better targeting of subsidies as the councillors know their wards intimately. They are also easily accessible for grievance redressal.

If people are dissatisfied by the services offered in their ward, they have a choice to vote by their feet i.e. live in another ward. This would create competition among wards to attract the best people. The wards that are able to draw and retain people can generate more taxes and in turn provide better services. Thus, introducing competition between wards shall improve service delivery.

## **Ward Functions**

Various critical functions can be carried out at ward level:

### **1. Management of Public Spaces**

This includes the creation of Municipal markets and providing space to hawkers. Spaces can be created to celebrate community functions and festivals. Local parks and vehicle parking space can be managed at ward level too. Slum areas can be effectively managed if local people are involved in the decision-making.

### **2. Public Utility Services**

Various services can be delivered more effectively, if contracted out at ward level such as:

#### **a. Water Supply**

#### **b. Electricity Supply**

The current privatisation efforts have converted government monopolies into private monopolies. The consumer has no choice since the service provider has no competition. There is no incentive to the service provider to improve the services. Contracting out the services to three or four companies introduces competition into the system. If the consumer is unhappy with the supply of electricity from company A, he or

she can switch to company B. This improves services and drives prices down.

If services are contracted out centrally at the Municipal level, people's choices get limited to those companies that the Municipality awards the contracts to. Smaller companies are unable to bid due to the large scale of the projects. This reduces choice for the consumers. Contracting at the ward level shall attract more companies. It would also provide greater flexibility in awarding and terminating contracts.

A system of subsidizing can easily be set-up with the private service provider at the ward level. The government can pay a percentage of the billings to the service provider as subsidy for the poor.

c. Garbage and Drainage

d. Street lights

Some services like garbage collection and streetlights can be contracted out to private parties and monitored by the residents and the Municipality.

e. Supervision of public physical infrastructure

i. Roads

ii. Schools

iii. Dispensaries and hospitals

f. Complaint Management System

If a service provider defaults on its duties, a complaint management system should be set-up at the ward level. This will ensure accountability and faster response time. Currently, complaints are handled centrally by the Municipality.

### **3. Community Policing**

At present, residents of an area have no power to decide the effective use of the police force allocated to their area. Bringing the police under the control of Ward Committees can decentralize powers so that decision related to policing can be done by the local residents, rather than a central authority. This will also bring the police closer to the citizens and increase cooperation between the two.

#### **Ward Committee: Structure**

The Ward Committee is a committee comprising of the councillor and the a few residents of that ward. It is designed so to be representative of the people residing in that ward.

Under the current system, Wards Committees are constituted for multiple wards. Since the few members of the Wards Committee represent lakhs of people, the purpose is defeated. Instead, there should be one ward per Ward Committee. This will ensure that there is greater proximity between the citizens and their elected representatives. The councillor can be the Chairman of the Ward Committee and committee members can be elected by the residents of the ward.

#### **Current Ward Finances**

The State Finance Commission recommends the distribution of taxes between Delhi state and the Municipality. Wards have the authority to sanction estimates and plans for Municipal works within a Zone costing upto rupees one crore subject to the corporation sanctioning it in the budget. But there is no obligation on the Corporation to allocate funds to the Ward Committee. In practice, funds have not been allocated.

The Municipal Corporation does not have adequate financial resources due the abolition of Octroi and outdated procedures of assessment of property tax. This has lead to a shortage of

funds and the Corporation is unable to pay its contractors. Public services have deteriorated.

### **Ideal Ward Finances**

Wards should be empowered to raise their own finances through fees and taxes:

- o Fees for use of open public spaces as markets
- o Fees for parking vehicles in public spaces
- o Charges to access parks and other common areas
- o Tax on pets
- o Tax on advertisements in public spaces

The wards can also levy a flat per-head charge on the citizen's. Private utilities providers can pay a flat fee to the ward as tax.

### **Responsibilities of the Ward**

The functioning of the wards should be fully transparent. Quarterly financial reports should be displayed on the board of the ward office. The Wards Committee should disclose their physical and financial targets and corresponding achievements. Other information can be access by the citizens through the Right to Information Act 2005.

### **Reforms in Urban Governance at Nation Level**

Various legal changes need to be brought about in Municipal Acts so as to decentralise powers and responsibility. These changes, as recommended by the National Committee to Review the Working of the Constitution, are as follows:

- 1) In determining the number of Municipal wards and in delineating them, there should be parity in the ratio between a seat and the population and such ratio should be uniform within a State among any category of

Municipalities such as Corporations, Municipal Councils and Nagar Panchayats.

- 2) Wards Committees should be mandatory for each of the ward in all Municipal Corporations with a population of three lakhs or more, to comprise of persons chosen by direct election from the territorial area of the Ward. The Chairman of the Committee will be the Councillor elected from the Ward.
- 3) The State laws may determine the number of persons to be so elected but there should be parity, within the city in the ratio between that number and population of a ward.
- 4) State laws may also enable Wards Committees to co-opt such residents of a ward who are knowledgeable and can assist the work of the Committee.
- 5) In all Corporations with a population of six lakhs and more, Zonal Committees at a level between the Wards Committees and the Corporation Council should be formed. State laws may determine the number and area of such Zonal Committees. The Councillors of all the Municipal wards represented in that area shall be members. In addition, one other person from each of the Wards Committees elected by and from amongst the elected members of that Committee shall be a member of the Zonal Committee.
- 6) State laws may determine the manner in which elections to the Ward and Zonal Committees are to be held, their functions and responsibilities and the allocation of funds to carry out the same.
- 7) Article 243S should be amended suitably to incorporate the proposals made in items (a) to (e) above.