CHAPTER - 8

SUMMARY & CONCLUSIONS
Urban development in India is stunted since urban areas have received scant attention of governments regarding their problems and solutions. It could not evolve a policy to match the increasing complexities posing a serious threat to stakeholders of urban development and management. The multi-dimensional decline in the Urban Local Governments necessitates the importance and urgency of reforms. The official machinery of the Urban Local Governments and the political organs are to be so restructured as to function as active partners in development of the towns and cities. This requires a major policy decision on the part of the government and political will for its fulfilment. Efficient urban local governance implies higher performance not only in managing local services that best satisfy the tax payers but also in enabling local communicates solve their and to create a better future for their stakeholders.

The Constitution (74th) Amendment Act 1992 infused new blood into city governance in the country but the efficacy has not been achieved owing to various factors like inadequacy of urban
administrative machinery and lack of a state-wide broad-based urban cadre, both administrative and technical. The Municipal Directorate (or the Commissionerate as called in certain states) is to be strengthened to function not only as a vital channel of communication but also as a staff agency to provide managerial and technical service.

Urban administration must be reorganised to suit the fast changing urban scenario. It is impossible to prevent rural push and urban pull in the coming years since urban areas only have the facilities for training professionals as a result of which the children of the migrants to urban areas will enjoy the advantages of educational and employment opportunities. Instead of taking up measures for prevention of urbanisation, Government must make efforts to improve the quality of urban life by large investment for provision and maintenance of urban infrastructure to keep pace with rapid urbanisation so that urban life can be sustained. Such investment can be financed by loans and grants from central and state governments. The financial resources of the ULGs are not sufficient to finance urban infrastructure and its maintenance. If cities have to continue to function as the political, commercial, financial and industrial centres the Governments have to provide the needed financial investment without hesitation.

The rapid deterioration of urban environment caused by acute shortage of housing, pressure on infrastructure and service facilities are a matter of serious concern. Added to it are proliferation of slums and rapidly increasing air pollution which are visible symptoms of the urban malaise. The central and state governments have to assess the magnitude and severity of the urban problems and the urgency of alleviating it in the interests of
both welfare and economic growth so that the change process can start.

It is obvious from the analysis presented in the preceding chapter that urban administration must be paid special attention in view of the fast urbanisation coupled with increasing urban problems. The Government at all levels has to take all measures needed to ensure that the positive aspect of urbanisation continues to benefit the nation. The policy makers, planners and administrators have to keep these factors in view in preparing plan out lay every year and in policy formulations. Efficient organisation of urban life is of paramount importance in order that the lakhs of people attracted into the expanding folds of cities and towns feel at home in urban areas of the country. The translation of this ideal into action demands a policy framework in which urban development be given a special impetus. Besides the above,

Urban Local Bodies should create a local administrative machinery, quite different from the existing self-seeking, aggrandised, corrupt system, to move forward with dedication and commitment to civic welfare which responds to public expectation with promptitude and without any hope of reward, and which establishes a lasting partnership with the citizens in their endeavour to provide a citizen-friendly administration. These efforts include:

1. A public information system has to be established to enlighten the citizens about the services rendered by the Urban Local Bodies and the procedure prescribed to avail themselves of those services.

2. Citizens have to be sensitized about their duties and responsibilities towards local government so that they
play their role effectively and efficiently to help Urban Local Bodies serve them to their best satisfaction.

3. A public grievance redressal system has to be set up to redress public grievances within a prescribed time frame.

In the foregoing chapters of this thesis an attempt is made to indicate the objectives of the study, to analyse the structure, functions, duties and powers of the ULGs in India in general and in A.P. in particular vis-à-vis their role in the changing urban scenario, their relation with the central and the state government, to examine the problems of providing infrastructure in urban areas and the management of urban development, to dwell on the problems of urban finance, to discuss the poverty initiatives in the country with particular reference to Andhra Pradesh. The present chapter sets forth a summary of what is presented in the preceding chapters and puts forth concluding observations.

In the introductory chapter the reasons for taking up this study has been clearly explained and an overview of the subject has been dealt with. The prevailing urban scenario; need for studying urban administration and management in a new light have been highlighted.

In the first chapter, the concept of urbanisation has been explained besides giving a detailed description of the life of urbanites in the fast changing urban scenario, urban challenges, role of various stakeholders of urban development and management, emerging urban issues, infrastructure needs of towns and cities, new approach to urban development etc.

The second chapter presents a detailed description of urbanisation trends and urban governance in Andhra Pradesh, the
organisational structure of municipalities and municipal coronations, legal provisions governing the ULGs in the state, constitution of Municipalities, Municipal Corporations and Nagar Panchayats, functions and functioning of different sections in the ULGs, decentralisation of powers, devolution of funds, measures taken by government from time to time to revamp urban governance, accountability of the ULGs in the state and other related issues. The chapter further examines the responsibilities added to the urban agenda after the enactment of the Constitution (74th) Amendment Act 1992 and the conformity legislation taken up by the state legislature.

The third chapter deals with the civic infrastructure deficiencies in urban areas, the infrastructure requirements of fast growing urban population and expanding urban areas, role of the ULGs in regard to provision of civic services, growth of slums, environmental improvement of urban slums, financial incapacity of the ULGs to meet the increasing expenditure on infrastructure development and maintenance, policy alternatives and organisational choices, urban innovation, other urban problems and solutions, the role of urban development authorities in bringing about sustainable urban development, the need for public-private partnership in urban development and urban development management, obstacles for efficient management of urban development like failure of public sector and its organisational incompetence, asset management and service delivery, community participation in planning and implementation of urban services and facilities and the need for active role of different civic actors in urban development.

The fourth chapter examines various sources of revenue to the ULGs, the system of taxation, legal system governing the
assessment, levy and collection of taxes, income from non-taxes, the need to impose user charges in place of taxes, mobilisation of additional resources, constitutional obligations of the ULGs after the enactment of the Constitution (74th) Amendment Act 1992 and the financial requirements to fulfil these obligations, loss of revenue to the ULGs due to lacunae in the assessment. Levy and collection of taxes and fees, limitations of revenue enhancement powers of the ULGs etc. The chapter further scans in detail the loopholes in the system of taxation and tax collection and suggests reforms to improve resources. The chapter discusses in detail the existing system of taxation in cities like Kolkata in West Bengal and Patna in Bihar besides Andhra Pradesh. The chapter underlies the need for financial decentralisation ad devolution of funds to ULGs from various state revenues.

The fifth chapter discusses the responsibilities and legal obligations of the ULGs in the light of the new urban agenda and their fulfilment, accountability of ULGs to the public, transparency in administration, existing system of grievance redressal, citizen-participation in decision-making, reforms in urban governance, citizen charter and its functioning, further improvement of service centres in ULGs and suggests measures to ensure better transparency, minimise corruption and to provide a citizen-friendly administration. The citizen charter introduced in the ULGs has brought about some improvement in the disposal of public grievances in respect of certain specified services. This should be improved further by bringing more services within its purviews and by strictly implementing the penal provisions for non-compliance with the service delivery rules. In this chapter certain measures are suggested to improve urban service delivery. Institutional framework required for better performance of the ULGs is emphasised.
Urbanisation brings with it increased urban poverty and it is one of the important challenges the ULGs have to meet. In the sixth chapter this challenge has been discussed at length together with various urban poverty alleviation initiatives taken up in Andhra Pradesh, successes achieved under the Swarna Jayanti Shahari Rozgar Yojana (Golden Jubilee Urban Employment Programme) and other poverty alleviation programmes. Formation of self help groups, social and economic empowerment of urban poor women, micro enterprises, group economic activities, bank linkage and all other issues related to poverty ad poverty alleviation are clearly discussed. The chapter further examines problem of obtaining financial assistance from commercial banks, problems of recovery of loans sanctioned, other innovative poverty alleviation schemes like total financial inclusion, skill development training, empowerment of the physically challenged persons and welfare measures for their betterment. The Government of Andhra Pradesh has established and an organisation called “Mission for Elimination of Poverty in Municipal Areas” which is a mission with a vision of total elimination of poverty in urban areas of Andhra Pradesh with a mission-mode approach through various poverty alleviation, income-generating, skill upgradation programmes. The chapter further underlines the reasons for the high success rate of the implementation of these programmes in certain urban areas as well as the reasons for poor performance in other urban areas. The chapter also discusses the poverty alleviation programmes in Kerala and analyses the reasons for the better performance in that state under the Kudumbashree mission.

The need for capacity enhancement of the ULGs, both institutional and functional, for efficient discharge of their duties, performance of their functions and exercise of their powers need no elaboration. Every municipal functionary is expected to possess a
thorough knowledge of the duties and responsibilities entrusted to him by law. But a majority of the municipal staff are not well equipped with the knowledge, procedures, rules and regulations required for their due discharge of duties. As a result they are not able to come up to the expectation of the people. Such a state of affairs emphasises the need for training for capacity enhancement of the functionaries of the ULGs to improve their performance. The seventh chapter explains the need to re-energise the ULGs as well as their functionaries to face the ever-increasing complex urban challenges efficiently, coming out of the rigid, outdated, inflexible working cultures and deteriorating administrative standards. The chapter describes the need for capacity building, various aspects of urban governance in which training is needed and the institutions offering training courses.

After examining the various aspects of Urban Local Governments, it is appropriate to incorporate the various suggestions received from the public and officials of the municipal corporation who responded to the questionnaires administered to 160 knowledgeable citizens and 80 municipal corporation officials.

- A planned urban development process is essential for balancing the imbalances in the growth of urban areas which calls for capacity building at the local level and the creation of an appropriate institution at the regional level to attend to the task of planning of city development.
- The ULGs in India in general and very particularly in A.P. suffer from excessive administrative and financial control of the State Governments which prevents them from functioning independently in decision-making. Despite democratic decentralisation over the decades, it is only on paper but not in practice and administration has been
moving towards more and more centralisation. About 63 per cent opined that the ULGs in India have a long history as service delivery vehicles but not vehicles for local level accountability. As a result the ULGs are not accountable to the people. Urban areas are governed by a plethora of agencies with weak coordination and very weak accountability. Decentralisation of powers and responsibilities should be accompanied by devolution of adequate funds.

- In regard to devolution of funds it is suggested by about 69 per cent that there should be uniform laws for the governance of the ULGs all over the country so that all ULGs are covered whenever a policy decision is taken by governments. Transfer of functions and devolution of funds to ULGs from year to year shall be governed by a policy frame work both at the centre and the states duly defining the criteria.

- In regard to periodical revision of taxes, only 43 per cent agreed that ULGs should achieve financial self-sufficiency through raising their internal resources so as to meet the expenditure on maintenance of urban infrastructure required for expanding urban areas. But 57 per cent stressed that urban dwellers must be relieved of the heavy burden of direct taxes and instead user charges should be introduced in place of taxes and the deficit between requirement and local revenue must be filled through central and state government grants. Some of the respondents are of the staunch opinion that rural areas contiguous with towns and cities are enjoying the infrastructure created by the ULGs but they are paying
taxes to the gram panchayats. Hence they suggest that rural areas contiguous with well developed urban areas should be merged with the adjoining towns or cities and should be brought under the administrative control of the adjoining Urban Local Governments for mutual advantage. (It is significant that the Government of Andhra Pradesh has decided to constitute all villages with more than 40,000 population as municipalities and to merge the rural areas with urban characteristics and contiguous with towns or cities into the nearby towns or cities so that the benefits of urbanisation can be extended to the rural areas contiguous with urban areas).

- In regard to administrative reforms in the ULGs for improved service delivery and ensuring accountability, only 32 per cent have responded stating that changes required in the administrative system should be brought about for transforming the grassroots bureaucracy, which are the real service providers to the people. There is the need to have legal, regulatory and participatory measures through which accountability of ULG staff can be enhanced. Measures have to be taken to ensure that the political and social process would not hinder the effectiveness of the accountability of the ULGs. Besides, there has to be an intensive campaign carried out to disseminate information on the developments in the ULGs, providing information to all citizens about the essential services delivered by the Urban Local Government and the procedure to avail them. The ULGs should create public consciousness regarding their duties and responsibilities towards local government so that they
can play their role efficiently and effectively to enable the ULGs function to the greatest satisfaction of the public.

- It is further suggested by 46 per cent of respondents that the local administration should fix priorities for providing services on the basis of their necessity. For example, providing adequate safe drinking water is a top priority item, followed by sanitation, health facilities, street lighting etc. It is also suggested that the decentralisation measures should continue since this process helps the urbanites avail themselves of the services to the full extent and file legal complaints and reach consumer courts in case of dissatisfaction. Administration at grass-roots level should be made responsible to people's needs duly upgrading human resources quality and insisting on result-consciousness and time-boundedness with delegation and accountability built into the system by gearing the official machinery to show its excellence in delivering goods to public through incentives and reward for better performance and punishments for poor performance. This needs organisation of the working conditions, work systems, methods of work disposal, skill utilisation in the ULGs such that the marked employees' dissatisfaction is removed and that their performance will improve. Besides, diligent employees should be given adequate opportunities for personal development in their service or organisation duly making the best use of their knowledge and skills. There has to be unity of command-every employee should receive order, direction or command from his immediate superior officer only so that the confusion due to multiplicity of directions or instructions will not affect the efficiency and quality of his
work or the result of his functions. The service conditions of the Local Government employees must be improved from its present lack lustre state so as to attract real talent into local government service who would perform their tasks with vision, foresight, commitment and dedication. To further ensure the accountability of the municipal functionaries it is suggested that performance audit of the ULGs should not be conducted by the government staff since it will reduce the scope for independent functioning. Instead, performance audit should be conducted by independent organisations without government control so that performance audit serves as a corrective mechanism. It is also necessary to create new structures of accountability through facilitating a greater role for citizens in urban governance and enhancing the answerability of the official machinery and the elected representatives. Citizens’ involvement and participation in governance enhances the accountability of the ULG staff since this enables the citizens of what is legitimately due to them from local self-governments.

- In regard to the accountability of public representatives it is suggested that at present public representatives are not answerable for their actions and hence the principle of accountability must, therefore, be included in the functions of the elected public representatives to ensure that they act in a manner that is above reproach. It is further stressed that elected representatives will not own any responsibility for their failures or offences or incapacity or irresponsibility. Hence disqualification of elected members for failure of accountability to the public must be introduced so that the local government
representatives become aware of their functions and duties and perform them with care and a sense of responsibility. Transparency in urban governance enables urban dwellers a better understanding of the functioning of the ULG that ultimately leads to its effective accountability to urbanites.

- In regard to private sector participation in the development and maintenance of civic infrastructure the opinions of the respondents are not clear. It is, however, generally suggested that private sector participation in the creation of urban infrastructure should be encouraged through implementing innovative reforms in municipal tax structure, levy and collection of user charges and exploitation of other income generating sources so that private sector can be assured of the cost-effectiveness of the infrastructure it has created. In the absence of this assurance the private sector will not come forward to actively participate in the development of civic infrastructure.

- In regard to the functioning of the citizen charter 45 per cent expressed satisfaction while others are of the opinion that it should be improved further. A very few of the respondents suggest that an institution like the Ombudsman (as in Sweden) should be created in every ULG to receive grievances from the public on any issues relating to planning and implementation of development programmes or civic affairs with short redressal time to have positive impact and which should be empowered to order corrective measures.
It shall be ultimately concluded that a local self government institution functions efficiently only when the citizens play their role efficiently. It is not enough if the people make themselves the local sovereign but they should, at the same time, make themselves intelligent.