



**LOK SATTA**

*People Power*

**Empowering Local Governments**

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# True Swaraj

The real *Swaraj* will come  
not by the acquisition of authority by a few,  
but by the acquisition of the capacity by all  
to resist authority when abused

- *Gandhiji*

# Principles of Devolution

**11<sup>th</sup> Schedule – 29 subjects**

**12<sup>th</sup> Schedule – 18 subjects**

All subjects (excepting rural electrification, land reforms and technical education) should be transferred to local governments

Functional delineation of which part will lie with which tier of government should be clearly specified

# Principles of Devolution

- The guiding principle of devolution shall be that whatever could be handled at the local level practically shall be devolved to that tier of government – Principle of Subsidiarity
- Only parts of those functions which cannot be handled by the local government shall vest with the state
- For all the functions that are transferred to the local government, the funds and functionaries shall also be transferred completely.

# Status of Decentralization in AP

- 17 subjects are “transferred” to the LGs
- Even those subjects transferred – the government is insincere in its intentions
- For example – education: only planning , implementation and review of adult and non-formal education are transferred to the LGs – incomplete – doesn’t cover primary and secondary education
- No fiscal devolution
- No transfer over control of functionaries
- Over 80 % of funds devolved to LGs go for wage bills

# Agriculture

- All extension work, including the local functionaries like demonstrators and field officers shall function under the MP
- Identification of beneficiaries for various government schemes shall be done by the GP
- Planning and resource allocation shall be done by the ZPP
- Research, and technological inputs shall lie with the state – but the inputs of ZP shall be taken into account to determine the direction of research

# Land Improvement, Land Consolidation and Soil Conservation

- All organizations/ departments involved shall work closely with the GP on specific measures to be taken to implement the best practices in land management.

# Minor Irrigation, Water Management and Watershed Development

- All Water shed development planning shall be done at the ZP level
- Identification and implementation of various schemes for watershed development shall be done at the MP level
- The functionaries of various government departments like DRDA, DPAP,Irrigation etc. shall work under the MP and ZP as the case might be.
- Minor Irrigation tanks shall be managed by the MP



# Animal Husbandry, Diarying and Poultry

- All veterinary hospitals to function under the MP
- Diary?
- Poultry?

# Social Forestry and Farm Forestry

- Government GO - Social and Farm Forestry, protection and management of nurseries and plants will be hereafter done by Panchayat Raj Bodies ; budget shall be released by the district collector to ZP; A joint a/c to be created and managed by the CEO of ZP and DFO
- All functions related to social and farm forestry shall be transferred to the ZP and the forest department functionaries shall work under the ZP
- Management of nurseries, and similar activities shall be done by the GP

## Minor Forest Produce

- All government schemes like JFM shall be transferred to the ZP/MP
- Identification of beneficiaries shall be done by the GP
- The GP shall have complete rights on the usufruct - produce

## **Small Scale Industries Including Food Processing Industries**

- Whatever the SSI department is doing like registration of SSIs etc, shall be transferred to the ZP

## **Khadi Village and Cottage Industries**

- The Khadi board shall function under the ZP and all schemes shall be implemented by the ZP
- The beneficiary selection shall be done by the GP

# Rural Housing

- All housing board units shall function under the ZP
- The resource allocation and planning shall be done by the ZP
- GP shall identify the beneficiaries

# Drinking Water

- Government GO – all hand pumps shall be handed over to GP; budget at Rs 600 per bore well shall be spent only on maintenance; departmental mechanics shall be attached to the MP
  - Overall planning of RWS schemes shall be done at the ZP level – like present
  - Execution and monitoring of schemes shall be done by the MP
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## Roads, Culverts, ...Transport

- Government GO – 18 ferry crossings were transferred to MP/GPs
- All major rural roads shall be under the ZP; all roads within a village shall be under the GP
- Bridges, ferries, water ways and other means of communication shall be at the ZP/MP
- The R&B, PWD departments shall function under the ZP – could be merged?

## Non-conventional Energy Services

- Government GOs - planning, review and monitoring of biogas and improved Chulas shall be with the ZP.
- NEDCAP functions shall be transferred to the ZP?



# Poverty Alleviation

- All the government grants for employment generation and rural poverty alleviation shall be given as an en-masse grant to the ZP with freedom to deploy them as per their requirements and priorities

# Education

- Government GO – only planning , implementation and review of adult and non-formal education are transferred to the LGs
- Primary education to be transferred to the GP
- Secondary education to be transferred to the MP
- All teachers shall function under the respective GP/MP
- The GP/MP head shall be the appointing authority for all staff including teachers
- The recruitment, training of teachers, setting of syllabus, examinations can lie with the state government
- Technical education to lie with the state

# Libraries

- All district libraries shall function under the ZP
- Library cess?

# Cultural Activities

- Government GO – the GP/MP/ZP shall carry out cultural activities with their own resources. The state will consider support only if there are worthwhile proposals
- The LGs shall have the right to tax any local fairs and events for revenue mobilization

# Markets and Fairs

- All markets shall be managed by the MP
- All marketing cess shall be collected by the MP – taxing of agricultural produce to be done by the GP/MP? How will it be shared?

# Health and Family Welfare

- Government GO – to review the implementation of National Health programmes, programmes initiated by the SG such as Janmabhoomi
  - All PHCs to function under the MP – all functionaries to work under the MP
  - All district hospitals to function under the ZP
  - ANMs or village health workers to be recruited and appointed by the GP
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# Women and Child Development

- Government GO – monitoring of the provisions of the disability act 1995 and to conduct the survey of the disabled in the state
- The department shall function under the ZP
- The selection of Anganwadi workers shall be done by the GP

## Social Welfare

- Government GO – Tailoring Training Centers and Garment Production Centers have been transferred to Panchayat Raj bodies but the selection of places, sanctions and funds will continue to be with the Social Welfare department.
- The budget both plan and non-plan for the year 1999-2000 will be transferred by the Deputy Director, Social Welfare to the CEO of ZP. Salaries will be paid by the CEO of ZP. The staff will continue to be under the cadre management of the Commissioner of Social Welfare. Overall planning of RWS schemes shall be done at the ZP level – like present
- The SW department shall function under the ZP. All the hostels shall be managed by the ZP
- The identification of beneficiaries shall be done by the GP



## Welfare of Weaker Sections – SC and ST

- The SC and ST development corporations shall be brought under the ZP
- All the SC and St hostels shall function under the ZP
- All schemes for the welfare of SC and STs shall be implemented by the ZP and all state or central grants for such purpose shall be transferred en-masse to the ZP

# Public Distribution System

- Government GO – review functions with the MP and ZP;  
The GP president is the chairman of the food advisory committee
- All PDS outlets shall be managed by the stake holders under the guidance of GP
- Issuing of cards to be done by the GP
- All functions of the Civil Supplies department shall be transferred to the ZP

# Finances

- In Andhra Pradesh the share of local governments expenditure in total government spending in rural areas in 1998-1999 drops from 10.5% to 5.3% if one deducts those funds that are not clearly controlled by local governments (World Bank).
- Local governments in Andhra Pradesh spend mere 17 per cent on core services such as water supply, street lighting, sanitation and roads, while other expenditures such as expenditure on general administration amounted to almost 83 percent of local government's expenditure in 1997-1998

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## Finances

- State Sector and District Sector
- The Zilla Parishad should have the powers for re-appropriating amounts from one item to another within the budgetary allocations for the district
- Local governments Institutions should be given powers to raise loans
- Other sources

# Stakeholder Groups

- Stakeholder groups are proliferating all over India including Andhra Pradesh.
- Development of functional and institutional linkages should be based on the premise of recognizing the primacy of local governments, as they are the elected / democratic / representative bodies, rather than seeing stakeholder groups as contenders of local governments.

## District Planning Committees

- The state government shall form a District Planning Committee for every district and abolish the supra constitutional bodies like the DDRCs.
- As per the norms provided in the Constitution, at least 80 % of the members of the DPC shall be elected by and from amongst the elected members of rural and urban local governments in the district according to the ratio of population. The ZP Chairman shall be the chairman of the DPC.
- The DPC shall prepare a draft district budget and shall also have the right to re-appropriate resources allocated to the district

# Metropolitan Planning Committees

- There shall be a Metropolitan Planning Committee in every Metropolitan area of the state and all the supra constitutional bodies like HUDA etc. shall be abolished.
- At least 2/3 rds of the members of the committee shall comprise of elected heads of the panchayats and Municipalities in the Metropolitan area according to the ratio of population between municipalities and panchayats. The remaining members can be nominated by the government and shall also include representatives of civil society. The Chairman of the committee shall be the Mayor of the largest Metropolitan city in the area .
- The Metropolitan Planning Committee shall have the right to re-appropriate resources in the Metropolitan area to suit its needs and requirements

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## Metropolitan Planning Committees

- The key functions of the Metropolitan Planning Committee shall be:
    - Zoning and Master Plan Preparation - Preparation of Master Plan and administering of Zoning laws
    - Approval of Plans – to regulate and control all construction and development activity through statutory plans and other measures
    - Development fees collection – shall be responsible for collection of development fees for all statutory clearances under its purview
    - Preservation of environment – shall be responsible for the preservation and protection of environment in the Metropolitan area and shall closely work with other government agencies which are also entrusted with the task of environment protection
  - Coordination - to co-ordinate with other public agencies concerned with provision of urban infrastructure, services and amenities including urban transport, power, ports, water supply, waste management, education and health care
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# Ward Committees

- Every ward shall have a ward committee as opposed to multiple wards. The committee shall be chaired by the elected councilor from that ward. The committee shall consist of representatives from the citizens of the ward and a transparent and equitable mechanism should be adopted to ensure fair representation of women, weaker sections and civil society in these committees.
- The ward committee shall be empowered to control all such issues which could be handled at the ward level such as street lighting, sanitation, water supply, drainage, road maintenance, maintenance of school buildings, maintenance of local hospitals/dispensaries, local markets, parks, playgrounds etc

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## Ward Committees

- The employees in respect of all functions entrusted to the ward committee shall function under the committee and shall be held accountable by the committee. The salaries to all such employees shall be paid by the committee only after satisfactory performance.
- The funds allocated to those functions entrusted to the ward committee shall be transferred en-bloc to the ward committee.
- The budget adopted by the ward committee in respect to the functions allotted to it shall form the basis for the overall municipal budget. The meetings of the ward committee shall be widely publicized to ensure maximum citizen participation.
- The ward committee shall be empowered to collect revenues in respect to local property tax, water and drainage fees and other such local taxes.

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## Ward Committees

- Ward committee will retain a share of the property taxes collected locally, depending on the locality. eg: Poor areas will retain 100% taxes. Middle-income areas will retain 2/3 of all residential property taxes (non commercial). Affluent areas will retain 1/3 of all residential property taxes (non commercial).
- The balance tax amount will go to the central pool for the Municipal budget.
- The ward committee shall also have the power to levy local taxes, but subject to the guidelines set by the municipality. In effect the ward committee shall function as a de facto gram panchayat.
- The ward committee may raise other resources through donations and other contributions.

# Consolidation of Panchayats

- 22500 GPs – ranging from 500 –25000 population
- Need to have a manageable number of viable GPs
- Ideal size 25000 – the individual habitations can still function autonomously as a gram sabha

# Accountability

- Citizens Charters
- Right to Information
- Ombudsman – for each district with powers to initiate disciplinary proceedings on any employee including elected head of local governments

“The punishment suffered by the wise who refuse to take part in the government, is to suffer under the government of bad men.”

**Plato**