



Urban Governance in Maharashtra: Status and Reforms Needed

Recognising the dire need for urban governance reforms, given the direction our cities are headed in the country, Praja started mapping the status of urban governance and reforms implemented since 2017. As a part of the journey, a robust Urban Governance Reforms Study was conducted in 40 cities across 28 states and National Capital Territory (NCT) of Delhi. Further, 20 state level consultations, one regional consultation (involving six states) and a National Level consultation (including 21 states) on Urban Governance was also held. Overall, the study involved a total of 1568 interviews held with key stakeholders such as the city Elected Representatives (ERs), city administrators and city based CSOs.

The mapping journey was completed in 2020 and based on the study and Urban Governance Index 2020 was launched in Dec 2020. The thematic of UGI is primarily on the structural aspects of Urban Governance. The structural aspects entail the necessary decentralisation of powers from the State Government to City Government and the mechanism of accountability of the City Government towards citizens of the city.

In this newsletter, we will discuss the status of Urban Governance, insights and reforms required in the state of Maharashtra. In Maharashtra we have studied the Municipal Corporation of Greater Mumbai (MCGM) and referred to the corresponding Mumbai Municipal Corporation Act, 1888. According to the overall UGI score and rank, Maharashtra stands at the 2nd rank, with a score of 55.15 out of 100. Although Maharashtra has ranked 2nd, the score achieved is 55.15 out of 100. There is need for reflecting on the status of urban governance and reforms required in Maharashtra.

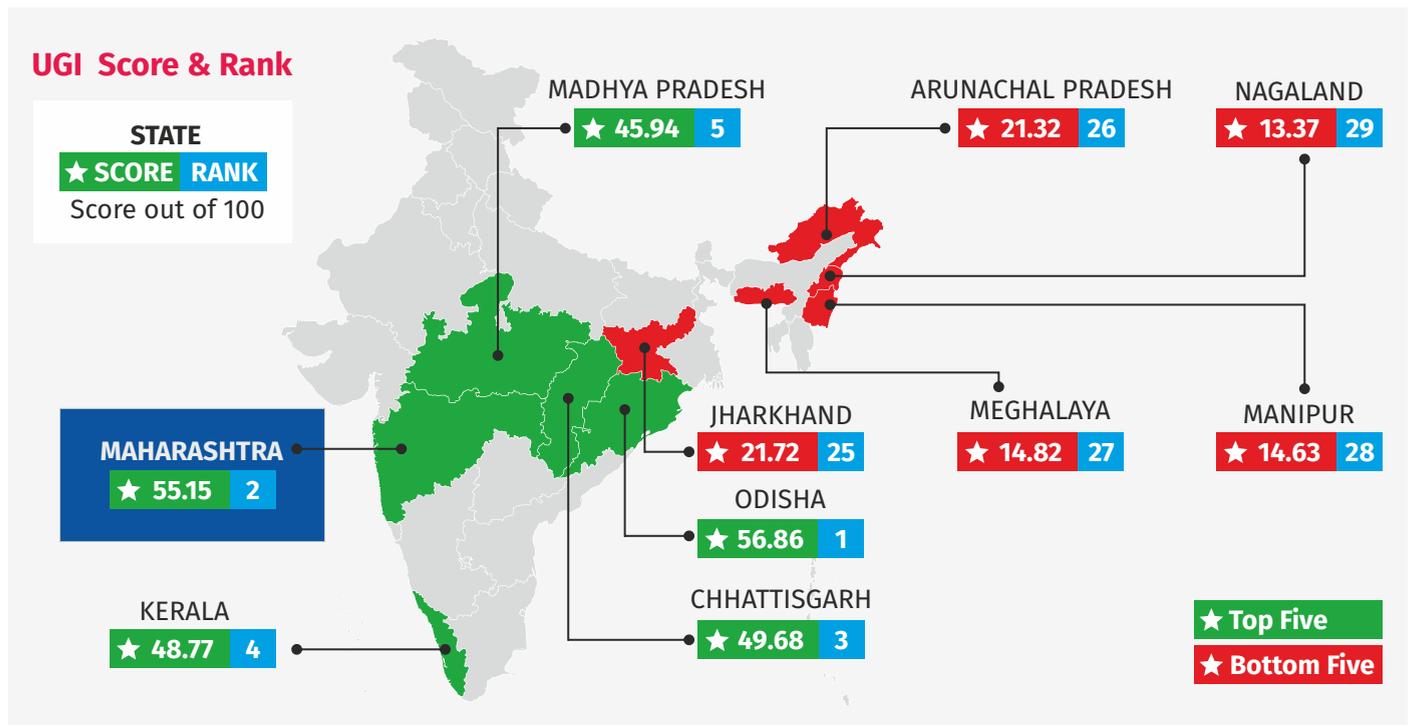
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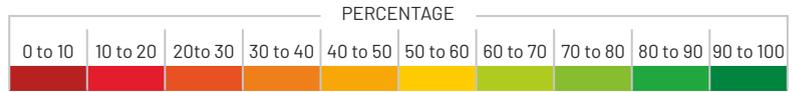
PRAJAS UGI 2020

To know about the status of Urban Governance in other states and to read about the Urban Governance Index 2020, [Click here](#).

The UGI is built over four themes i) Empowered City Elected Representatives and Legislative Structure; ii) Empowered City Administration; iii) Empowered Citizens; and iv) Fiscal Empowerment. These themes act as bedrocks to achieving empowered urban governance. They are significant to enable the functioning of democratic and empowered urban governance. These themes are further divided into 13 sub-themes and comprises of a total of 42 indicators.



STATE ★ SCORE RANK



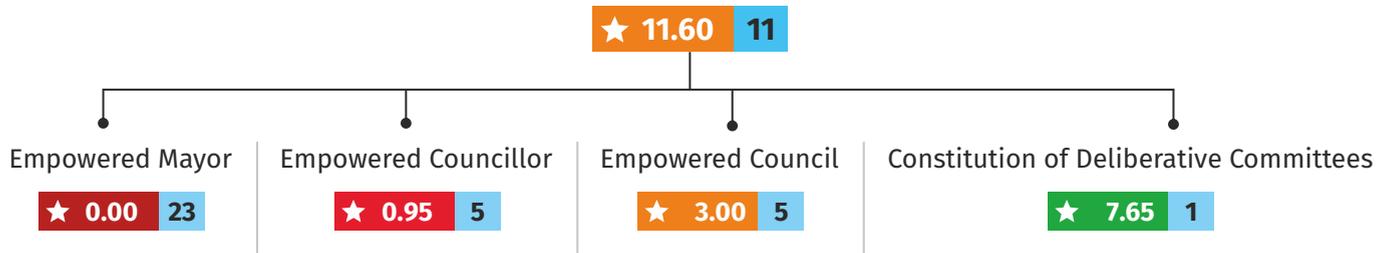
Theme 1: Empowered City Elected Representatives and Legislative Structure

Theme 1 is based on the premise that Elected Representatives (ERs) of the City Government i.e., Mayor and Councillors are elected by the citizens of the city, and hence, should ensure that the citizens' mandate is represented at the designated platforms and effort is put towards its implementation. The theme is divided into sub-themes: 'Empowered Mayor', 'Empowered Councillor', 'Empowered Council' and 'Constitution of Deliberative Committees'.



Maharashtra ranks 11th with 11.60 marks out of 30

Empowered City Elected Representatives and Legislative Structure



KEY INSIGHTS

- Mayor in Maharashtra has no empowerment in respect to the term, executive authority over commissioner, authority to appoint chairperson of standing/subject committee and being the chairperson of the apex committee. This points out to the fact that the City Government leadership lacks powers to take decisions and implement projects with a vision. If the leadership of City Government is not empowered, cities will continue problem solving, as and when needed, and not have a planning and vision-oriented development.
- The councillor in Maharashtra is empowered with monthly remuneration and allowance for staff and office.
- The Council (General Body) in Maharashtra is not empowered to independently frame bye-laws and regulations for functions under the control of City Government, the council does not have any privileges and immunity and there is no authority to pass no confidence motion against the Mayor. This shows that the third tier of government does not act as a legislative body. Unless the City Government is given the status of a legislature, effective decision making will not happen at the grassroots level.
- The Municipal Corporation of Greater Mumbai have procedure for conduct and business rules.

REFORMS REQUIRED

- The term of the Mayor's office should be co-terminus with term of City Government. This means the Mayor's term needs to be changed from 2.5 years to 5 years. (MMCA, 1888, Chapter 2, Section 37)
- The Mayor should hold executive authority over the Commissioner. This essentially means the (i) Mayor should hold independent authority to write ACR and conduct appraisals of the Commissioner and, (ii) hold authority to appoint and terminate the Commissioner subject to ratification in the council.
- An apex committee system such as Mayor-In-Council needs to be constituted. The Mayor should be the chairperson of the committee. (MMCA, 1888, Section 44)
- Every Councillor should be part of at least one Standing/Subject committee.
- Council should have independent authority to frame bye-laws and functions for regular functions under the control of City Government. (MMCA, 1888, Section 463)

Theme 2: Empowered City Administration

The theme entails the independent control over human resource management, and the 18 functions mentioned in Twelfth Schedule of the 74th CAA. The theme comprises of the following sub-themes: 'Control and Training of Human Resources for functions under City Government' and 'Devolution and Control of 18 functions mentioned in the Twelfth Schedule'.



Maharashtra ranks 2nd with just 5.40 marks out of 15

Empowered City Administration

★ 5.40 2

Control and Training of Human Resources for Functions under City Government

★ 0.00 16

Devolution and Control of 18 functions mentioned in the Twelfth Schedule

★ 5.40 1

KEY INSIGHTS

- The city administration does not have sanctioning authority and recruitment of officials.
- Only 9 out of the 18 functions are devolved to the Municipal Corporation of Greater Mumbai (MCGM). However, the MCGM is involved in delivery of all 18 functions. Control of all 18 functions needs to be devolved to the City Government. Since all the 18 functions are not devolved to the City Government, there are problems such as duplication of work and projects, coordination and planning issues. If the control of all the functions is not devolved to the single authority, the city will continue to face problems and lack of accountability towards it.

REFORMS REQUIRED

- City administration should hold authority to sanction posts for recruitment of required Human Resource. (MMCA, 1888, Section 74 (3g))
- An autonomous body need to be set up for recruitment of municipal officials for the city administration.
- Provisions of regular and mandatory trainings also need to be framed.
- State Government needs to devolve all 18 functions mentioned in the Twelfth Schedule of the 74th Constitutional Amendment Act.

Theme 3: Empowered Citizens

The theme, is based on the fact that citizens have the right to be aware of the functioning of the City Government through mechanisms that ensure transparency towards citizens. Citizens should also be encouraged to participate, through a consultive process, in Urban Governance and should be empowered to hold their ERs accountable for their actions. The theme of empowered citizens is further divided into the following sub-themes: Accessible Open Data Portal, Right to Elect and Recall Elected City Representatives, Formal and Active Citizen Consultative Mechanism and Active Grievance Redressal Mechanism.



Maharashtra ranks 2nd with 17.00 marks out of 25

Empowered Citizens

★ 17.00 2

Accessible Open Data Portal

★ 8.75 1

Right to Elect Mayor and Recall Elected City Representatives

★ 2.00 6

Formal and Active Citizen Consultative mechanism

★ 2.50 3

Active Grievance Redressal Mechanism

★ 3.75 2

KEY INSIGHTS

- MCGM has an open data portal which has reports, data, minutes of meetings, etc. published.
- MCGM is one of the few City Governments who has published minutes of meeting of committees on the City Government website. The publishing of minutes of committee meeting has enabled the citizens to understand the discussions and decisions taken related to their area.
- MCGM also has a robust citizen grievance redressal mechanism for citizens to register complaints which has tracking as well as escalation.

REFORMS REQUIRED

- Direct election of Mayors is recommended for direct influence of citizens and for the purpose of the larger mandate. (MMCA, 1888, Section 37)
- Citizens should be given final right to recall their Councillor. (MMCA, 1888, Section 18IA)
- Area level elected representatives should be members of the wards committee.

Theme 4: Fiscal Empowerment

The theme primarily involves the independent financial powers to raise financial resources, and receipt of systematic and predictable rule based fiscal transfers to enhance the financial resources of the City Government. This theme comprises of the following sub-themes: 'Devolution of Financial Power', 'Systemic Fiscal Transfers' and 'Financial Accountability'.



Maharashtra ranks 1st with 21.15 marks out of 30

Fiscal Empowerment

★ 21.15 1



KEY INSIGHTS

- City Government has authority to introduce new taxes and revise tax rates for functions mentioned in the Mumbai Municipal Corporation Act.
- City Government also has independent authority to approve the municipal budget.
- These provisions enable the City Government to take decisions and plan for finances in an independent manner.
- The City Government has published budgets and accounts on the City Government website for the last three years.

REFORMS REQUIRED

- The City Government budget should include the budget statements of all parastatal agencies operating in the city. (MMCA, 1888, No provision in the State Municipal Act)
- City Government should receive a direct percentage share of GST. (MMCA, 1888, No provision in the State Municipal Act)

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