

## EPILOGUE

### SECTION - A

Gladstone once remarked that, Local Government Institutions are the seed plots upon and around which the highest traditions of democracy are built. Local Governments in India had its beginning for providing relief to the imperial finances, not to establish democracy i.e., to ensure participation of the people in governance. Mayo Resolution of 1870, brought about change in nature and objectives of Local Governments. Some of which are: (i) the scheme of financial devolution was introduced; (ii) an initiative to associate the Indians with the administration through Municipal Government was undertaken; and (iii) the Central Government was relieved of its responsibility for providing funds for local purposes.<sup>1</sup>

The Ripon Resolution 1882, epoch making in the history of Local Government, sought to provide popular and political education to Indians and hence embodied three cardinal principles: democratization by popular election; debureaucratization and decentralization through minimal state control.<sup>2</sup> These two postulated to establish Local Government as self-governing institutions. Impediments namely bureaucratic apathy, inept handling by political leadership, hostile political environment inter-alia were responsible for non-implementation of Ripon Resolution.

Report of the Decentralization Commission of 1909, also mentioned lack of administrative ingenuity and lack political leadership chiefly contributed to retarded growth of Local Self-Government in India.<sup>3</sup>

Abolition of the provisions of the Government of India Act 1919, relating to the resources of local revenue, the Government of India Act 1935, made the Local Government institutions contingent upon the bounty of state government. Consequently, the Local Government institutions became denuded of local autonomy. Following the Act of 1935, the Republican Constitution of

India also made identical provisions relating to local finance. Thus, the Local Government could not play the role of third stratum in the federal polity till the passage of the 74<sup>th</sup> Constitution Amendment Act 1992.

To make Local Government institutions really the units of local self-government it is necessary that they should have administrative capability along with financial solvency. The 74<sup>th</sup> CAA 1992, made attempts of making Local Government institutions self-sufficient administratively and financially through the following measures:

- (1) regular and fair conduct of municipal elections by statutorily constituted State Election Commission;
- (2) limiting the state power to do away with democratically elected municipal governments;
- (3) adequate representation to weaker sections and women in municipal administration through reservation of seats;
- (4) constitution of Ward Committee to ensure popular participation in civic affairs at the grassroots level;
- (5) specification by state law the powers and functions of the municipalities and Ward Committees;
- (6) placing relationship of the state governments and urban-local bodies on firm footing with respect to local taxation powers and revenue-sharing between states and local authorities through statutory Finance Commissions to be set up every five years; and
- (7) involvement of elected representatives in planning at district and metropolitan levels.

## **SECTION – B**

As a corollary of the 74<sup>th</sup> CAA 1992, the West Bengal Municipal Act 1993, introduced wide-ranging alterations in the municipal governance in the state. The brightest features and objectives of the WBMA 1993, may be summarized as follows:

- (a) Urban local bodies in the State presently are three types – Corporations; Municipalities; and Nagar Panchayats. The municipalities again have been classified into five categories on the basis of population. Categorization for bringing about uniformity in administration and financial resources. It helps the government in dealing with the municipality even handedly.
- (b) In line with the Mayor-in-Council or the Cabinet system introduced in 1980's, the municipalities in the state have been provided with the Chairman-in-Council system. The Chairman-in Council is collectively responsible to the municipality.
- (c) The concept of democratic decentralization and to ensure popular participation in the municipal governance has been extended by the constitution of Ward Committee below the municipal level in each Ward of each municipality under the chairmanship of the concerned Ward Councillors.
- (d) The WBMA 1993, provides that, no municipality can be superseded by the State Government. A municipal council may be dissolved only on the condition that the Municipal Board will be given a proper hearing before dissolution and fresh election will be held within six months of the date of dissolution. This is a significant improvement over the previous Municipal Act which empowered the State to supersede a municipality on any flimsy ground and permitted the extension of supersession for an indefinite period.
- (e) The West Bengal Municipal Election Act 1994, consolidates and amends laws relating to the holding of elections to municipalities and provides guidelines for conducting responsibilities like the procedure of appointment of officers for the purpose, reservation of seats etc. The reservation of seats for women and SC/ST is a completely new phenomenon in the ULBs in West Bengal.

- (f) In contrast to the previous Act, the WBMA 1993 makes a distinction between obligatory and discretionary functions. Thirteen out of eighteen functions listed in the 12<sup>th</sup> Schedule of the 74<sup>th</sup> CAA 1992, figure among the forty-nine obligatory duties of the municipalities. The obligatory functions have been divided into four categories, which have been stated in the earlier chapter. There are forty functions under different heads, which have been demarcated as discretionary functions.
- (g) The West Bengal Finance Commission 1982, favoured with 'gap-filling approach' in regard to resource generation of local bodies and did not recommend grants-in-aid scheme for ULBs. In 1986, the State Government, however, introduced Revised Grant Structure in order to extend financial support to the municipalities for maintenance of services. In the earlier chapter, we have seen that, due to the 'gap-filling approach' municipalities were gradually becoming more and more dependant on state's doles. The Municipal Finance Commission 1993, however, abandoned the 'gap-filling approach' and suggested for exploitation of local tax resources exclusively earmarked for them along with revision of grants-in-aid system. In this connection, the approach advocated by the RURC 1966 was novel. Firstly, it suggested an exclusive list of local taxes to be exploited by the municipalities; secondly, it suggested a rationale scheme for grants-in-aid keeping in view the needs of municipal bodies and local autonomy; and lastly, the Committee for the first time recommended that the finances of local bodies should be considered as a part of the overall public expenditure of the country. There is the need for a symbiotic relationship between functions and finances at the municipal level.
- The WBMA 1993 ensures strict financial discipline in municipalities through various provisions. It has also been

strictly stipulated that grants from the State or any other receipts are to be earmarked for specific purposes and should not be diverted to any other functions.

Financial discipline has also been ensured through detailed guidelines for regular audit of municipal accounts by an auditor to be recruited by the state government besides a statutory Municipal Accounts Committee.

The present Act has specified five taxes which are to be levied and collected exclusively by the municipalities. The property tax system has been made more transparent. The value of properties will be assessed by the CVB once in every six year through public notice.

The municipalities have been allowed some flexibility in regard to obtaining loans from public financial institutions or nationalized banks with prior permission of the State Government. Grants from the State Government are also available for specific and general purposes. The distribution of such grants will depend on the categories of municipalities.

- (h) West Bengal has a separate personnel system for its municipal administration. To minimize the lacuna of this system the WBMA states that, there will be a cadre of common municipal service for the staff and officers as specified in Section 53 of said Act. These officers will be selected by the Directorate of Local Bodies. The said act also contemplates the creation of a Municipal Service Commission to select municipal officers and employees as may be prescribed by the state government.

The municipalities are authorized to recruit few official employees as specified the criteria of selection, salaries and allowances by the state government. Besides, the state government has the privilege and power to appoint an Executive Officer, a Health Officer, an Engineer and a Finance

Officer for a municipality or group of municipalities. The state government will bear the expenditure on account of salaries and allowances for these officers.

Besides the above-mentioned employees and officers, the state government has constituted the DLB, MED, CVB, SUDA, DPC, ILGUS etc. to help the municipalities in the making and implementation of plans, assessment of properties, training of municipal officials and day to day administration of the municipalities.

Thus, the WBMA 1993 provides none of the three models – Integrated, Unified or Separate exclusively. A mixture of unified and separate system is perpetuating in the state.

- (i) The most unique feature of the WBMA 1993 is the provision for greater decentralization in area development and peoples' participation in the development process. The Act has three well-defined sections on – (1) urban renewal and regional development; (2) area development and renewal; and (3) planning and regional development. It has empowered the municipalities with functional responsibilities and sufficient authority to ensure regulated development within the area of their jurisdiction.

Acknowledging the above-stated bright features and objectives of the WBM Act 1993, various academicians, constitutional experts view that, the Act is a significant step in right direction in respect of structure, municipal autonomy, decentralization and democratization.

## **SECTION – C**

Besides the statutory provisions relating to municipal development and administration in the state, we can draw some pictures on the same area as reflected through our field findings in the four municipalities under study.

Firstly, the WBMA 1993 has ensured democracy in the municipalities by free, fair and regular elections under the State Election Commission. Reservation of seats for SC/ST and women has silver-plated the local democracy by opening the door to the backward and unprivileged classes of the society to participate in the process of local administration and development. This has been supported in the Chapter-V of this study.

Secondly, the process of decentralization has been guaranteed by the statutory provisions relating to the constitution of Ward Committees in every municipality and in each Ward. In course of our field survey we noticed that in all the four municipalities the Ward Committees have been constituted and these are functioning.

In this connection, it may be noted that, majority of the respondents do not know about the existence or functioning about Ward Committee. Those who are aware about the Ward Committee, a large portion of them posses a negative view about Ward Committee.

Thirdly, under the new Act, the prospect of municipal development has blossomed in a considerable manner. Although, at present, the municipalities under study have not developed highly but the momentum and potentialities have been observed. Municipal authorities acknowledged that, their performance in the exploitation of local revenues are not up to the mark. At the same time, they were in favour of large capital investment in the remunerative projects for resource generation of the local bodies. Undoubtedly, this is a positive sign towards self-sufficiency and local autonomy. Such observation has been supported in the Chapter-V.

Besides the above-mentioned positive side, the State Finance Commission in West Bengal 1995 observed that, in the preparation of district plans, a parallel process of planning is followed. The Rural and Urban Local Bodies in a district prepare a plan based on funds provided directly to them and departmental plans are handed down to district officials from above. The amount of money spent in departmental plans is much more than that handled by the local bodies. The operational part of district planning process continues to be dominated by officials rather than peoples' representatives.<sup>4</sup> This seems

counter to trends of democracy and decentralization. The State Government should take measures to word of duality.

Fourthly, the municipal tax base in the state is very narrow and municipalities are largely dependent on the property tax which is supplemented by other minor taxes and non-tax revenues but resource mobilization efforts have obviously been inadequate. Evidence suggests that inter-governmental transfers, including grants-in-aids constitute the most important source of revenues for ULBs in the state and the four municipalities are not exception in this matter. It is suggested that inter-governmental transfer system should be transparent with in-built incentives and quantum of transfers should be predictable and predetermined.

Fifthly, it was noticed while we were surveying in the four municipalities, the Councillors and municipal Officials welcome and appreciated the measures undertaken by the State Government to appoint few officers at the expenses of the State Government to equip and make efficient the municipal administration. Cooch Behar and Tufanganj municipalities are eager for the recruitment of such officers in their respective municipalities.

Lastly, to find out the enduring state municipal relations in this context, it is necessary to stress upon the partnership approach; in such relationship state must play the role of senior partner and instead of pursuing coercive steps, more and more emphasis should be laid to non-coercive steps with a view to achieving objectives of public welfare.

## *Notes and References*

1. Venkatrangaiya M and Pattabhiram M: *Local Government in India: Selected Readings* (ed.). Allied Publishers. Calcutta 1969.
2. **Ibid.**
3. **Ibid.**
4. *Recommendations of the State Finance Commission in West Bengal 1995.*  
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