

**Administrative Reforms Commission's 6th Report titled
"Local Governance - An Inspiring Journey into the Future"**

**Details of the Government's decisions on the recommendations
and 'Action taken' thereon**

S. No.	Recommendations made by Administrative Reforms Commission	Government's Decision
1.	<p>1. (Para 3.1.1.12) The Principle of Subsidiarity a. Article 243 G should be amended as follows: "Subject to the provisions of this Constitution, the Legislature of a State shall, by law, vest a Panchayat at the appropriate level with such powers and authority as are necessary to enable them to function as institutions of self government in respect of all functions which can be performed at the local level including the functions in respect of the matters listed in the Eleventh Schedule". (1)</p>	(a) Not accepted.
2.	<p>b. Article 243 W should be similarly amended to empower urban local bodies.(2)</p>	(b) Not accepted.
3.	<p>2. (Para 3.1.2.4) Strengthening the Voice of Local Bodies a. Parliament may by law provide for constitution of a Legislative Council in each State, consisting of members elected by the local governments.(3)</p>	(a) Not accepted.
4.	<p>3. (Para 3.1.3.11) Structure of Local Bodies a. Article 243B(1) should be amended to read as follows: "There shall be constituted in every State, as the State Legislature may by law provide, Panchayats at appropriate levels in accordance with the provisions of this part".(4)</p>	a) Not accepted.
5.	<p>b. The Constitutional provisions relating to reservation of seats (Article 243 D) must be retained in the current form to ensure adequate representation to the under-privileged sections and women.(5)</p>	(b) Accepted. Article 243 D would be retained in its present form
6.	<p>c. Members of Parliament and State Legislatures should not become members of local bodies.(6)</p>	(c) Not accepted.
7.	<p>d. Article 243 C(1) should be retained.(7)</p>	(d) Accepted
8.	<p>e. Article 243 C (2 & 3) should be repealed and supplanted by Article 243 C(2) as follows: <i>243 C(2) Subject to the provisions of this part, the Legislature of a State may, by law, make provisions with respect to composition of Panchayats and the manner of elections provided that in any tier there shall be direct election of at least one of the two</i></p>	(e) to (g) Not accepted .

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	<p><i>offices of Chairperson or members.</i> <i>Provided that in case of direct elections of members in any tier, the ratio between the population of the territorial area of a Panchayat at any level and the number of seats in such Panchayat to be filled by election shall, so far as practicable, be the same throughout the State. Also, each Panchayat area shall be divided into territorial constituencies in such manner that the ratio between the population of each constituency and the number of seats allotted to it shall, so far as practicable, be the same throughout the Panchayat area.(8)</i></p> <p>9. f. There shall be a District Council in every district with representation from both urban and rural areas.(9)</p> <p>10. g. 243 B (2) should be substituted by: <i>"There shall be constituted in every District, a District Council representing all rural and urban areas in the District and exercising powers and functions in accordance with the provisions of Articles 243 G and 243 W of the Constitution."(10)</i></p>	
	<p>4. (Para 3.2.1.12) The Electoral Process</p> <p>11. a. The task of delimitation and reservation of constituencies should be entrusted to the State Election Commissions (SECs);(11)</p> <p>12. b. Local government laws in all States should provide for adoption of the Assembly electoral rolls for local governments without any revision of names by SECs. For such a process to be effective it is necessary to ensure that the voter registration and preparation of electoral rolls by Election Commission of India is based on geographic contiguity. Similarly the electoral divisions for elections to local bodies should follow the Building Blocks approach;(12)</p> <p>13. c. The Registration of Electors Rules, 1960, should be amended to define a 'Part' as a compact geographical unit.(13)</p> <p>14. d. In order to achieve convergence between census data and electoral rolls, the boundaries of a 'Part' and an 'Enumeration Block' should coincide.(14)</p> <p>15. e. Reservation of seats should follow any one of the two principles mentioned below (15) i. In case of single-member constituencies, the rotation can be after at least 2 terms of 5 years each so that there is possibility of longevity of leadership and nurturing of constituencies. ii. Instead of single-member constituencies, elections can be held to multi-member constituencies by the List</p>	<p>(a) to (d) Accepted.</p> <p>(e) Alternative (ii) was not accepted</p>

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16.	<p>System, ensuring the reservation of seats. This will obviate the need for rotation thus guaranteeing allocation of seats for the reserved categories.</p> <p>f. The conduct of elections for the elected members of District and Metropolitan Planning Committees should be entrusted to the State Election Commission.(16)</p>	(f) Accepted.
17. 18.	<p>5. (Para 3.2.2.6) Constitution of the State Election Commission</p> <p>a. The State Election Commissioner should be appointed by the Governor on the recommendation of a collegium, comprising the Chief Minister, the Speaker of the State Legislative Assembly and the Leader of Opposition in the Legislative Assembly.(17)</p> <p>b. An institutional mechanism should be created to bring the Election Commission of India and the SECs on a common platform for coordination, learning from each other's experiences and sharing of resources.(18)</p>	(a) & (b) Accepted.
19.	<p>6. (Para 3.2.3.4) Correcting the Urban Rural Imbalance in Representation in Legislative Bodies</p> <p>a. In order to set right the electoral imbalance between the urban and rural population in view of rapid urbanisation, an adjustment of the territorial constituencies - both for the Lok Sabha and the Legislative Assembly – within a State should be carried out after each census. Articles 81, 82, 170, 330 and 332 of the Constitution would need to be amended.(19)</p>	(a) Not accepted.
20. 21. 22.	<p>7. (Para 3.3.1.7) Devolution of Powers and Responsibilities</p> <p>a. There should be clear delineation of functions for each level of local government in the case of each subject matter law. This is not a one-time exercise and has to be done continuously while working out locally relevant socio-economic programmes, restructuring organisations and framing subject-matter laws.(20)</p> <p>b. Each subject-matter law, which has functional elements that are best attended to at local levels, should have provision for appropriate devolution to such levels – either in the law or in subordinate legislation. All the relevant Union and State laws have to be reviewed urgently and suitably amended.(21)</p> <p>c. In the case of new laws, it will be advisable to add a 'local government memorandum' (on the analogy of financial memorandum and memorandum of</p>	(a) to (c) Accepted.

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23.	<p>subordinate legislation) indicating whether any functions to be attended to by local governments are involved and if so, whether this has been provided for in the law.(22)</p> <p>d. In case of urban local bodies, in addition to the functions listed in the Twelfth Schedule, the following should be devolved to urban local bodies:</p> <ul style="list-style-type: none"> . School education; . Public health, including community health centres/area hospitals; . Traffic management and civic policing activities; . Urban environment management and heritage; and . Land management, including registration. <p>These, however, are only illustrative additional functions and more such functions could be devolved to urban local bodies by the respective States.(23)</p>	(d) Accepted.
24.	<p>8. (Para 3.4.20) Framework Law for Local Bodies</p> <p>a. Government of India should draft and place before Parliament, a Framework Law for local governments. The Framework Law could be enacted under Article 252 of the Constitution on the lines of the South African Act, for the States to adopt. This Law should lay down the broad principles of devolution of powers, responsibilities and functions to the local governments and communities, based on the following:</p> <ul style="list-style-type: none"> • Principle of Subsidiarity • Democratic Decentralisation • Delineation of Functions • Devolution in Real Terms • Convergence • Citizen Centricity (24) 	(a) Not accepted.
25.	<p>9. (Para 3.5.2.18) The State Finance Commission (SFC)</p> <p>a. This Commission endorses and reiterates the views of the Twelfth Finance Commission regarding the working of the SFCs as listed in paragraph 3.5.2.8.(25)</p>	(a) to (j) Accepted.
26.	<p>b. Article 243 I (1) of the Constitution should be amended to include the phrase “at such earlier time” after the words “every fifth year”.(26)</p>	
27.	<p>c. Each State should prescribe through an Act, the qualifications of persons eligible to be appointed as Members of the State Finance Commission.(27)</p>	
28.	<p>d. SFCs should evolve objective and transparent norms for devolution and distribution of funds. The norms should include area-wise indices for backwardness. State Finance Commissions should link</p>	

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<p>29.</p> <p>30.</p> <p>31.</p> <p>32.</p> <p>33.</p> <p>34.</p>	<p>the devolution of funds to the level/quality of civic amenities that the citizens could expect. This could then form the basis of an impact evaluation.(28)</p> <p>e. The Action Taken Report on the recommendations of the SFC must compulsorily be placed in the concerned State Legislature within six months of submission and followed with an annual statement on the devolution made and grants given to individual local bodies and the implementation of other recommendations through an appendix to the State budget documents.(29)</p> <p>f. Incentives can be built into devolution from the Union to the States to take care of the need to improve devolution from the States to the third tier of governments.(30)</p> <p>g. Common formats, as recommended by the Twelfth Finance Commission (TFC) must be adopted, and annual accounts and other data must be compiled and updated for use by the SFCs.(31)</p> <p>h. SFCs should carry out a more thorough analysis of the finances of local bodies and make concrete recommendations for improvements in their working. In case of smaller local bodies such recommendations could be broad in nature, but in case of larger local bodies, recommendations should be more specific. With historical data being available with the SFC, and with the improvement in efficiency of data collection, the SFC would be in a position to carry out the required detailed analysis. The special needs of large urban agglomerations particularly the Metropolitan cities should be specially addressed by the SFC.(32)</p> <p>i. SFCs should evolve norms for staffing of local bodies.(33)</p> <p>j. It is necessary that a mechanism be put in place which reviews the implementation of all the recommendations of the SFCs. If considered necessary, devolution of funds could be made conditional to local bodies agreeing to implement the recommendations of the SFCs.(34)</p>	
<p>35.</p>	<p>10. (Para 3.6.16) Capacity Building for Self Governance</p> <p>a. Capacity building efforts in rural and urban local self governing institutions must attend to both the organisation building requirements as also the professional and skills upgradation of individuals associated with these bodies, whether elected or appointed. Relevant Panchayat and Municipal legislations and manuals framed thereunder must contain clear enabling provisions in this respect. There should be special capacity building programmes for</p>	<p>(a) to (g) Accepted.</p>

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<p>36.</p> <p>37.</p> <p>38.</p> <p>39.</p> <p>40.</p> <p>41.</p>	<p>women members.(35)</p> <p>b. State Governments should encourage local bodies to outsource specific functions to public or private agencies, as may be appropriate, through enabling guidelines and support. Outsourcing of activities should be backed by development of in-house capacity for monitoring and oversight of outsourced activities. Likewise, transparent and fair procurement procedures need to be put in place by the State Government to improve fiscal discipline and probity in the local bodies.(36)</p> <p>c. Comprehensive and holistic training requires expertise and resources from various subject matter specific training institutes. This can be best achieved by 'networking' of institutions concerned with various subjects such as financial management, rural development, disaster management and general management. This should be ensured by the nodal agencies in State Governments.(37)</p> <p>d. As an aid to capacity building, suitable schemes need to be drawn up under State Plans for Rural and Urban Development for documentations of case studies, best practices and evaluation with reference to the performance of the prescribed duties and responsibilities of such bodies.(38)</p> <p>e. Training of elected representatives and personnel should be regarded as a continuing activity. Expenditure requirement on training may be taken into account by the State Finance Commissions while making recommendations.(39)</p> <p>f. Academic research has a definite role to play in building long-term strategic institutional capacity for greater public good. Organisations like the Indian Council of Social Science Research must be encouraged to fund theoretical, applied and action research on various aspects of the functioning of local bodies.(40)</p> <p>g. A pool of experts and specialists (e.g. engineers, planners etc.) could be maintained by a federation/consortium of local bodies. This common pool could be then accessed by the local bodies whenever required for specific tasks.(41)</p>	
<p>42.</p>	<p>11. (Para 3.7.5.6) Decentralised Planning</p> <p>a. A District Council should be constituted in all districts with representation from rural and urban areas. It should be empowered to exercise the powers and functions in accordance with Articles 243 G and 243 W of the Constitution. In that event, the DPCs will either not exist or become, at best, an advisory arm of the District Council. Article 243 (d) of the Constitution should be amended to facilitate this.(42)</p>	<p>(a) Not accepted.</p>

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43.	b. In the interim and in accordance with the present constitutional scheme, DPCs should be constituted in all States within three months of completion of elections to local bodies and should become the sole planning body for the district. The DPC should be assisted by a planning office with a full time District Planning Officer.(43)	(b) to (h) Accepted. It was noted that the Planning Commission had already issued guidelines which the States need to implement.	
44.	c. For urban districts where town planning functions are being done by Development Authorities, these authorities should become the technical/planning arms of the DPCs and ultimately of the District Council.(44)		
45.	d. A dedicated centre in every district should be set up to provide inputs to the local bodies for preparations of plans. A two-way flow of information between different levels of government may also be ensured.(45)		
46.	e. The guidelines issued by the Planning Commission pertaining to the preparation of the plan for the district and the recommendations of the Expert Group regarding the planning process at the district level should be strictly implemented.(46)		
47.	f. Each State Government should develop the methodology of participatory local level planning and provide such support as is necessary to institutionalise a regime of decentralised planning.(47)		
48.	g. States may design a planning calendar prescribing the time limits within which each local body has to finalise its plan and send it to the next higher level, to facilitate the preparation of a comprehensive plan for the district.(48)		
49.	h. State Planning Boards should ensure that the district plans are integrated with the State plans that are prepared by them. It should be made mandatory for the States to prepare their development plans only after consolidating the plans of the local bodies. The National Planning Commission has to take the initiative in institutionalising this process.(49)		
50.	(Para 3.7.6.2.4) a. The function of planning for urban areas has to be clearly demarcated among the local bodies and planning committees. The local bodies should be responsible for plans at the layout level. The DPCs/District Councils – when constituted – and MPCs should be responsible for preparation of regional and zonal plans. The level of public consultation should be enhanced at each level.(50)		(a) to (e): Accepted.
51.	b. For metropolitan areas, the total area likely to be urbanised (the extended metropolitan region) should be assessed by the State Government and an MPC constituted for the same which may be deemed to be a		

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52.	<p>DPC for such areas. As such an area will usually cover more than one district, DPCs for those districts should not be constituted (or their jurisdictions may be limited to the rural portion of the revenue district concerned). The MPCs should be asked to draw up a Master Plan/CDP for the entire metropolitan area including the peri-urban areas.(51)</p> <p>c. The planning departments of the Development Authorities (DAs) should be merged with the DPCs and MPCs who will prepare the master plans and zonal plans.(52)</p> <p>d. The task of enforcement and regulation of the master plans/CDPs drawn up by the MPCs should be the specific statutory responsibility of all the local bodies falling within the extended metropolitan region concerned.(53)</p> <p>e. The monopoly role of Development Authorities (DAs) in development of land for urban uses, wherever it exists, should be done way with. However, public agencies should continue to play a major role in development of critical city level infrastructure as well as low cost housing for the poor. For this purpose, the engineering and land management departments of the DAs should be merged with the concerned Municipality/ Corporation.(54)</p>	
55.	<p>12. (Para 3.8.6) Accountability and Transparency</p> <p>a. Audit committees may be constituted by the State Governments at the district level to exercise oversight regarding the integrity of financial information, adequacy of internal controls, compliance with the applicable laws and ethical conduct of all persons involved in local bodies. These committees must have independence, access to all information, ability to communicate with technical experts, and accountability to the public. For Metropolitan Corporations, separate audit committees should be constituted. Once the District Councils come into existence, a special committee of the District Council may examine the audit reports and other financial statements of the local bodies within the district. Such committee may also be authorised to fix responsibility for financial lapses. In respect of the audit reports of the District Council itself, a special committee of the Legislative Council may discharge a similar function.(55)</p> <p>b. There should be a separate Standing Committee of the State Legislature for the local Bodies. This Committee may function in the manner of a Public Accounts Committee.(56)</p> <p>c. A local body Ombudsman should be constituted on the lines suggested below. The respective State</p>	<p>(a) to (j) Accepted except that the constitution of the District Council is not acceptable (11(a)) as it would alter the existing structure of PRIs.</p>
56.		
57.		

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58.	<p>Panchayat Acts and the Urban local Bodies Acts should be amended to include provisions pertaining to the local body Ombudsman.</p> <p>i. Local body Ombudsman should be constituted for a group of districts to look into complaints of corruption and maladministration against functionaries of local bodies, both elected members and officials. For this, the term 'Public Servant' should be defined appropriately in the respective State legislations.</p> <p>ii. Local body Ombudsman should be a single member body appointed by a Committee consisting of the Chief Minister of the State, the Speaker of the State Legislative Assembly and the Leader of the Opposition in the Legislative Assembly. The Ombudsman should be selected from a panel of eminent persons of impeccable integrity and should not be a serving government official.</p> <p>iii. The Ombudsman should have the authority to investigate cases and submit reports to competent authorities for taking action. In case of complaints and grievances regarding corruption and maladministration against local bodies in general and its elected functionaries, the local body Ombudsman should send its report to the Lokayukta who shall forward it to the Governor of the State with its recommendations. In case of disagreement with the recommendations of the Ombudsman, the reasons must be placed in the public domain.</p> <p>iv. In case of a Metropolitan Corporations, a separate Ombudsman should be constituted.</p> <p>v. Time limits may be prescribed for the Ombudsman to complete its investigations into complaints.(57)</p> <p>d. In case of complaints and grievances related to infringement of the law governing elections to these local bodies, leading to suspension/ disqualification of membership, the authority to investigate should lie with the State Election Commission who shall send its recommendations to the Governor of the State.(58)</p>	
59.	<p>e. In the hierarchy of functionaries under the control of local bodies, functions should be delegated to the lowest appropriate functionary in order to facilitate access to citizens.(59)</p>	
60.	<p>f. Each local body should have an in-house mechanism for redressal of grievances with set norms for attending and responding to citizens' grievances.(60)</p>	
61.	<p>g. For establishing robust social audit norms, every State Government must take immediate steps to implement the action points suggested in para 5.9.5 of the Report of the Expert Group on 'Planning at the Grass roots Level'.(61)</p>	

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62.	h. It should be ensured that suo motu disclosures under the Right to Information Act, 2005 should not be confined to the seventeen items provided in Section 4(1) of that Act but other subjects where public interest exists should also be covered.(62)	
63.	i. A suitable mechanism to evolve a system of benchmarking on the basis of identified performance indicators may be adopted by each State. Assistance of independent professional evaluators may be availed in this regard.(63)	
64.	j. Evaluation tools for assessing the performance of local bodies should be devised wherein citizens should have a say in the evaluation. Tools such as 'Citizens' Report Cards' may be introduced to incorporate a feedback mechanism regarding performance of local bodies.(64)	
65.	<p>13. (Para 3.9.22) Accounting and Audit</p> <p>a. The accounting system for the urban local bodies (ULBs) as provided in the National Municipal Accounts Manual (NMAM) should be adopted by the State Governments.(65)</p> <p>66. b. The financial statements and balance sheet of the urban local bodies should be audited by an Auditor in the manner prescribed for audit of Government Companies under the Companies Act, 1956 with the difference that in the case of audit of these local bodies, the C&AG should prescribe guidelines for empanelment of the Chartered Accountants and the selection can be made by the State Governments within these guidelines. The audit to be done by the Local Fund Audit or the C&AG in discharge of their responsibilities would be in addition to such an audit.(66)</p> <p>67. c. The existing arrangement between the Comptroller & Auditor General of India and the State Governments with regard to providing Technical Guidance and Supervision (TGS) over maintenance of accounts and audit of PRIs and ULBs should be institutionalised by making provisions in the State Laws governing local bodies.(67)</p> <p>68. d. It should be ensured that the audit and accounting standards and formats for Panchayats are prepared in a way which is simple and comprehensible to the elected representatives of the PRIs.(68)</p> <p>69. e. The independence of the Director, Local Fund Audit (DLFA) or any other agency responsible for audit of accounts of local bodies should be institutionalised by making the office independent of the State administration. The head of this body should be appointed by the State Government from a panel vetted by the C&AG.(69)</p> <p>70. f. Release of Finance Commission Grants to the local</p>	<p>(a) to (e) Accepted.</p> <p>(f) Not accepted</p>

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71.	bodies may be made conditional on acceptance of arrangements regarding technical supervision of the C&AG over audit of accounts of local bodies. (70) g. Audit reports on local bodies should be placed before the State Legislature and these reports should be discussed by a separate committee of the State Legislature on the same lines as the Public Accounts Committee (PAC).(71)	(g) to (k) Accepted.
72.	h. Access to relevant information/records to DLFA/designated authority for conducting audit or the C&AG should be ensured by incorporating suitable provisions in the State Laws governing local bodies.(72)	
73.	i. Each State may ensure that the local bodies have adequate capacity to match with the standards of accounting and auditing.(73)	
74.	j. The system of outcome auditing should be gradually introduced. For this purpose the key indicators of performance in respect of a government scheme will need to be decided and announced in advance.(74)	
75.	k. To complement institutional audit arrangements, adoption and monitoring of prudent financial management practices in the local bodies should be institutionalised by the State Governments by legislating an appropriate law on Fiscal Responsibility for local Bodies.(75)	
76.	14. (Para 3.10.1.2) Information and Communication Technology a. Information and Communication Technology should be utilised by the local governments in process simplification, enhancing transparency and accountability and providing delivery of services through single window.(76)	(a) Accepted
77.	15. (Para 3.10.2.8) Space Technology a. Space technology should be harnessed by the local bodies to create an information base and for providing services.(77)	(a) & (b) Accepted
78.	b. Local governments should become one point service centres for providing various web based and satellite based services. This would however require capacity building in the local governments.(78)	
79.	16. (Para 4.1.3.5) Size of the Gram Panchayat a. States should ensure that as far as possible Gram Panchayats should be of an appropriate size which would make them viable units of self-governance and also enable effective popular participation. This exercise will need to take into account local geographical and demographic conditions.(79)	(a) Accepted.
80.	17. (Para 4.1.4.4) Ward Sabha - its Necessity a. Wherever there are large Gram Panchayats, States	(a) Accepted.

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	should take steps to constitute Ward Sabhas which will exercise in such Panchayats, certain powers and functions of the Gram Sabha and of the Gram Panchayat as may be entrusted to them.(80)	
<p>81.</p> <p>82.</p>	<p>18. (Para 4.1.5.4) Personnel Management in PRIs</p> <p>a. Panchayats should have power to recruit personnel and to regulate their service conditions subject to such laws and standards as laid down by the State Government. Evolution of this system should not be prolonged beyond three years. Until then, the Panchayats may draw upon, for defined periods, staff from departments/agencies of the State Government, on deputation.(81)</p> <p>b. In all States, a detailed review of the staffing pattern and systems, with a zero-based approach to PRI staffing, may be undertaken over the next one year in order to implement the policy of PRI ownership of staff. The Zila Parishads, particularly, should be associated with this exercise.(82)</p>	(a) & (b) Accepted. However, any fresh recruitment should not result in an increase in the overall administrative cost.
<p>83.</p> <p>84.</p> <p>85.</p> <p>86.</p> <p>87.</p>	<p>19. (Para 4.1.6.8) PRIs and the State Government</p> <p>a. The provisions in some State Acts regarding approval of the budget of a Panchayat by the higher tier or any other State authority should be abolished.(83)</p> <p>b. State Governments should not have the power to suspend or rescind any resolution passed by the PRIs or take action against the elected representatives on the ground of abuse of office, corruption etc. or to supersede/ dissolve the Panchayats. In all such cases, the powers to investigate and recommend action should lie with the local Ombudsman who will send his report through the Lokayukta to the Governor.(84)</p> <p>c. For election infringements and other election related complaints, the authority to investigate should be the State Election Commission who will send its recommendations to the Governor.(85)</p> <p>d. If, on any occasion, the State Government feels that there is need to take immediate action against the Panchayats or their elected representatives on one or more of the grounds mentioned in 'b' above, it should place the records before the Ombudsman for urgent investigation. In all such cases, the Ombudsman will send his report through Lokayukta to the Governor in a specified period.(86)</p> <p>e. In all cases of disagreements with the recommendations made by the local Ombudsman/ Lokayukta, the reasons will need to be placed in the</p>	(a) to (e) Accepted.

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	public domain.(87)	
<p>88.</p> <p>89.</p> <p>90.</p> <p>91.</p> <p>92.</p>	<p>20. (Para 4.1.7.8) Position of Parastatals</p> <p>a. Parastatals should not be allowed to undermine the authority of the PRIs.(88)</p> <p>b. There is no need for continuation of the District Rural Development Agency (DRDA). Following the lead taken by Kerala, Karnataka and West Bengal, the DRDAs in other States also should be merged with the respective District Panchayats (Zila Parishad). Similar action should be taken for the District Water and Sanitation Committee (DWSC).(89)</p> <p>c. The District Health Society (DHS) and FFDA should be restructured to have an organic relationship with the PRIs.(90)</p> <p>d. The Union and State Governments should normally not setup special committees outside the PRIs. However, if such specialised committees are required to be set-up because of professional or technical requirements, and if their activities coincide with those listed in the Eleventh Schedule, they should, either function under the overall supervision and guidance of the Panchayats or their relationship with the PRIs should be worked out in consultation with the concerned level of Panchayat.(91)</p> <p>e. Community level bodies should not be created by decisions taken at higher levels. If considered necessary the initiative for their creation should come from below and they should be accountable to PRIs.(92)</p>	(a) to (e) Accepted.
<p>93.</p> <p>94.</p>	<p>21. (Para 4.2.3.10) Activity Mapping</p> <p>a. States must undertake comprehensive activity mapping with regard to all the matters mentioned in the Eleventh Schedule. This process should cover all aspects of the subject viz; planning, budgeting and provisioning of finances. The State Government should set-up a task force to complete this work within one year.(93)</p> <p>b. The Union Government will also need to take similar action with regard to Centrally Sponsored Schemes.(94)</p>	(a) Accepted. (b) Accepted.
<p>95.</p>	<p>22. (Para 4.2.4.2) Devolving Regulatory Functions to the Panchayats</p> <p>a. Rural policing, enforcement of building byelaws, issue of birth, death, caste and residence certificates, issue of voter identity cards, enforcement of regulations pertaining to weights and measures are some of the regulatory functions which should be entrusted to Panchayats. Panchayats may also be empowered to manage small endowments and charities. This could be done by suitably modifying</p>	(a) & (b) Accepted. However, control of local bodies over police functions was not agreed to.

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	<p>- Intermediate Panchayat and Zila parishad could be given concurrent powers subject to a ceiling. Whenever a tax/fee is imposed by the higher tier, such taxes should be collected by the concerned Village Panchayats.(106)</p>	
<p>107</p> <p>108</p> <p>109</p> <p>110</p> <p>111</p>	<p>24. (Para 4.3.7.5) Transfer of Funds to the Panchayats</p> <p>a. Except for the specifically tied, major Centrally Sponsored Schemes and special purpose programmes of the States, all other allocations to the Panchayati Raj Institutions should be in the form of untied funds. The allocation order should contain only a brief description of broad objectives and expected outcomes.(107)</p> <p>b. State Governments should modify their rules of financial business to incorporate the system of separate State and District sector budgets, the later indicating district-wise allocations.(108)</p> <p>c. There should be a separate Panchayat sector line in the State budget.(109)</p> <p>d. State Governments should make use of the software on “fund transfer to Panchayats” prepared by the Union Panchayati Raj Ministry for speedy transfer of funds.(110)</p> <p>e. State Governments should release funds to the Panchayats in such a manner that these institutions get adequate time to use the allocation during the year itself. The fund release could be in the form of equally spaced instalments. It could be done in two instalments; one at the beginning of the financial year and the other by the end of September of that year.(111)</p>	<p>(a) to (e) Accepted.</p>
<p>112</p>	<p>25. (Para 4.3.8.2) PRIs and Access to Credit</p> <p>a. For their infrastructure needs, the Panchayats should be encouraged to borrow from banks/financial institutions. The role of the State Government should remain confined only to fixing the limits of borrowing.(112)</p>	<p>(a) Accepted.</p>
<p>113</p> <p>114</p>	<p>26. (Para 4.3.9.5) Local Area Development Schemes</p> <p>a. The flow of funds for all public development schemes in rural areas should be exclusively routed through Panchayats. Local Area Development Authorities, Regional Development Boards and other organization having similar functions should immediately be wound up and their functions and assets transferred to the appropriate level of the Panchayat.(113)</p> <p>b. As recommended by the Commission in its report on “Ethics in Governance”, the Commission reiterates that the schemes of MPLAD and MLALAD should be abolished.(114)</p>	<p>(a) GoM deferred decision on recommendation relating to flow of funds.</p> <p>(b) Not accepted</p>
	<p>27. (Para 4.4.7) Rural Development</p>	

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<p>115</p> <p>116</p> <p>117</p> <p>118</p>	<p>a. The Commission while endorsing the views of the Expert Group on Planning at the Grass roots Level as given at Annexure-IV(2) to this Report, recommends that there has to be territorial/ jurisdictional/functional convergence in implementing Centrally Sponsored Schemes.(115)</p> <p>b. The centrality of PRIs in these schemes must be ensured if they are to deal with the matters listed in the Eleventh Schedule. (i) In all such schemes, the Gram/Ward Sabha should be accepted as the most important/cutting edge participatory body for implementation, monitoring and audit of the programmes. (ii) Programme committees dealing with functions under the Eleventh Schedule and working exclusively in rural areas need to be subsumed by the respective panchayats and their standing bodies. Some others having wider roles may need to be restructured to have an organic relationship with the Panchayats. (iii) In the programmes, where the activities percolate to areas and habitations below a Panchayat/Ward level, a small local centre committee should be formed to support these activities. This Centre committee should be only a deliberative body with responsibility to provide regular feedback to the Gram Sabha/Ward Sabha and be accountable to it.(116)</p> <p>c. The Ministry sanctioning the programme should issue only broad guidelines leaving scope for implementational flexibility so as to ensure local relevance through active involvement of the Panchayats.(117)</p> <p>d. All Centrally Sponsored programmes should have properly demarcated goals and there should be a mechanism to assess their socio-economic impact over a given period of time. The NSSO may be suitably strengthened and assigned this task.(118)</p>	<p>(a) to (d) Accepted.</p>
<p>119</p> <p>120</p> <p>121</p>	<p>28. (Para 4.4.8.6) Information, Education and Communication - IEC</p> <p>a. A multi-pronged approach using different modes of communication like the print media, the visual media, electronic media, folk art and plays etc. should be adopted to disseminate information and create awareness about Panchayati Raj. It should be ensured that there is a convergence in approach to achieve synergies and maximise reach.(119)</p> <p>b. The Union Ministry of Information and Broadcasting should devise a mechanism in consultation with the Union Ministry of Panchayati Raj, Ministry of Rural Development and Ministry of Agriculture and other concerned Ministries for effectively implementing this activity.(120)</p> <p>c. Rural broadcasting should become a full-fledged independent activity of the All India Radio. Rural</p>	<p>(a) to (c) Accepted.</p>

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	broadcasting units should be based in the districts and the broadcasts should be primarily in the local language(s) prevalent in the district. These programmes should focus on issues related to Panchayati Raj Institutions, rural development, agriculture, Right to Information and relevant ones on public health, sanitation, education etc.(121)	
122. 123.	<p>29. (Para 4.5.4) Rule of Panchayats in Delivery of Services</p> <p>a. In terms of the Eleventh Schedule of the Constitution, local level activities of elementary education, preventive and promotive health care, water supply, sanitation, environmental improvement and nutrition should immediately be transferred to the appropriate tiers of the PRIs.(122)</p> <p>b. State Governments need to prepare an overarching Service Delivery Policy outlining the framework within which each department could lay down detailed guidelines for preparation of Service Delivery Plans.(123)</p>	(a) & (b) Accepted.
124 125 126	<p>30. (Para 4.5.5.6) Resource Centre at the Village Level</p> <p>a. Steps should be taken to set up Information and Communication Technology (ICT) and space Technology enabled Resource Centres at the Village and Intermediate Panchayat levels for local resource mapping and generation of local information base.(124)</p> <p>b. These Resource Centres should also be used for documenting local traditional knowledge and heritage.(125)</p> <p>c. Capacity building should be attempted at the local level by shifting the currently available post school generalistic education to a skill and technology based system having focus on farm & animal husbandry practices, computer applications, commercial cropping and soil and water management.(126)</p>	(a) to (c) Accepted. However, it would need to be ensured that these Centres take into account the Department of Information Technology's initiative to set up 1,00,000 Common Service Centres (CSC).
127	<p>31. (Para 4.6.1.2.3) Local Government in the Fifth Schedule Areas</p> <p>a) The Union and State legislations that impinge on provisions of PESA should be immediately modified so as to bring them in conformity with the Act.(127)</p>	(a) Accepted.

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128	b) If any State exhibits reluctance in implementing the provisions of PESA, Government of India may consider issuing specific directions to it in accordance with the powers given to it under Proviso 3 of Part A of the Fifth Schedule.(128)	(b) Not accepted.
129	32. (Para 4.6.1.4.4) Effective Implementation of PESA a. Regular Annual Reports from the Governor of every State as stipulated under the Fifth Schedule, Part A (3) of the Constitution must be given due importance. Such reports should be published immediately and placed in the public domain.(129)	(a) to (c) Accepted subject to the views of MHA being obtained in this matter.
130	b. In order to ensure that women are not marginalised in meetings of the Gram Sabha, there should be a provision in the PESA Rules and Guidelines that the quorum of a Gram Sabha meeting will be acceptable only when out of the members present, at least thirty-three per cent are women.(130)	
131	c. Each State should constitute a group to look into strengthening of the administrative machinery in Fifth Schedule areas. This group will need to go into the issues of (i) special administrative arrangements, (ii) provision of hardship pay, (iii) other incentives, and (iv) preferential treatment in accommodation and education. All expenditure in this regard should be treated as charged expenditure under Article 275 of the Constitution.(131)	
132	33. (Para 4.6.1.5.3) Effective Implementation of the Tribal Sub-Plan (TSP) a. Keeping in view the inadequacy of the past efforts, State Governments should form a special planning unit (consisting of professionals and technically qualified personnel) to prepare their Tribal-Sub Plan.(132)	(a) to (c) Accepted subject to consultation with the Ministry of Finance and the Ministry of Tribal Affairs on the recommendations.
133	b. A certain portion of the allocation under TSP should be made non-lapsable on the pattern of the Non Lapsable Central Pool of Resources (NLCPR) created for the North-Eastern States. A special cell may be set up in the Ministry of Tribal Affairs to monitor expenditure from this fund.(133)	
134	c) The government may consider preparing an impact assessment report every year with respect to the States covered under PESA. This exercise may be assigned to a national level institute which has done similar	

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<p>142</p> <p>143</p> <p>144</p> <p>145</p>	<p>Committee in respect to the functions allotted to it should be taken into account in formulating the overall municipal budget;(141)</p> <p>g. Meetings of the Ward Committee should be widely publicised to ensure maximum citizens' participation;(142)</p> <p>h. Ward Committees should be given a share of the property taxes collected from the ward, depending on the locality;(143)</p> <p>i. The allocation of functional responsibilities between the tiers must be clearly spelt out. While doing so, the principle of subsidiarity should be followed. Broadly, the Area Sabha should perform functions similar to the Gram Sabha such as prioritising developmental activities and identifying beneficiaries under various schemes; and(144)</p> <p>j. A process of activity mapping similar to the one taken up for PRIs should be carried out for all ULBs within one year.(145)</p>	
<p>146</p>	<p>36. (Para 5.2.3.2) Zonal System for Large Cities</p> <p>a. Zonal offices with all administrative powers delegated to them may be set up immediately in Metropolitan Corporations and Municipal Corporations and become the main point of contact for people in respect of services and amenities. One zone for every five lakh (or less) population could be considered. Similar zonal offices should also be set up in other big cities within the next three years.(146)</p>	<p>(a) Accepted.</p>
<p>147</p> <p>148</p> <p>149</p> <p>150</p> <p>151</p>	<p>37. (Para 5.2.4.3) The Office of the Mayor/Chairperson</p> <p>a. The functions of chairing the municipal council and exercising executive authority in urban local government should be combined in the same functionary i.e. Chairperson or Mayor.(147)</p> <p>b. The Chairperson/Mayor should be directly elected by popular mandate through a city-wide election.(148)</p> <p>c. The Chairperson/Mayor will be the chief executive of the municipal body. Executive power should vest in that functionary.(149)</p> <p>d. The elected Council should perform the functions of budget approval, oversight and framing of regulations and policies.(150)</p> <p>e. In municipal corporations and metropolitan cities, the Mayor should appoint the Mayor's 'Cabinet'. The members of the Cabinet should be chosen by the Mayor from the elected corporators. The Mayor's Cabinet shall not exceed 10 per cent of the strength of the elected Corporation or fifteen, whichever is higher. The Cabinet will exercise executive authority on matters entrusted to them by the Mayor, under his</p>	<p>(a) to (e) Not accepted.</p>

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	overall control and direction.(151)	
<p>152</p> <p>153</p> <p>154</p>	<p>38. (Para 5.2.5.4) Management Structure of Urban Local Governments</p> <p>a. The Mayor should be the Chief Executive of the municipal body while the Commissioner should perform the functions delegated to him/her.(152)</p> <p>b. The responsibility for selection and appointment of the Commissioner and other staff may be given to the Metropolitan Corporations within a period of two years. For other bodies this may be done within three years. States should, however, by law, lay down the procedure and conditions of such appointment. For the duration that the Commissioner/ Chief Officer continues to be drawn from the State Government, selection should be made by the Mayor from out of a panel of names sent by the State Government.(153)</p> <p>c. The Directorates of Municipal Administration, wherever they exist, should be abolished. In case there are State-wide cadres of municipal employees, no fresh appointments to these may be made and the employees should be absorbed in municipal bodies through a due process.(154)</p>	(a) to (c) Not accepted
<p>155</p> <p>156</p> <p>157</p> <p>158</p> <p>159</p> <p>160</p> <p>161</p>	<p>39. (Para 5.3.3.8) Property Tax Reforms</p> <p>a. State Governments should ensure that all local bodies switch over to the 'unit area method' or 'capital value method' for assessment of property tax in a time-bound manner.(155)</p> <p>b. The categories of exemptions from property tax need to be reviewed and minimised.(156)</p> <p>c. In order to ensure that unauthorised constructions do not escape the tax net, State laws should stipulate that levy of tax on any property would not, in itself, confer any right of ownership, in case the property is found to be constructed in violation of any law or regulation.(157)</p> <p>d. Tax details for all properties should be placed in the public domain to avoid collusion between the assessing authority and the property owner.(158)</p> <p>e. The State law should also provide for tax on properties belonging to the municipal authorities which are given on lease, to be payable by the occupants.(159)</p> <p>f. The law should provide for the levy of service charge on properties belonging to the Union and State Governments. This service charge should be in lieu of various services provided such as solid waste management, sanitation, maintenance of roads, streetlighting and general civic amenities.(160)</p> <p>g. A periodic physical verification of the properties and the taxes levied on them should be carried out in each municipal area by a separate wing directly under the control of the Chief Executive.(161)</p>	(a) to (i) Accepted.

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162	h. A computerised data base of all properties using GIS mapping should be prepared for all municipal areas.(162)	
163	i. Randomly selected cases of assessment should be audited by the government auditors as is done by C&AG in case of Union taxes. (163)	
	40. (Para 5.3.4.2) Octroi	
164	a. Octroi should be abolished, but the States should evolve mechanisms to compensate the local governments for the loss of revenue caused by such abolition.(164)	(a) Accepted.
	41. (Para 5.3.5.2) Other Taxes	
165	a. The following principles should be followed while administering all taxes: i. The manner of determination of tax should be made totally transparent and objective; ii. As far as possible, all levies may be based on self declaration of the tax payer but this should be accompanied by stringent penalties in case of fraud or suppression of facts by the tax payer; iii. The cost of tax collection and of compliance should be reduced to a minimum; iv. There should be an independent unit under the Chief Executive to monitor the collection of all taxes; and v. The appeal against orders of assessing officers should lie with an independent quasi-judicial authority.(165)	(a) Accepted.
166	b. Article 276(2) may be amended to enhance the upper ceiling on Profession Tax and this ceiling should be reviewed periodically.(166)	(b) Accepted.
	42. (Para 5.3.6.8) Non Tax Revenues	
167	a. A significant portion of grants to the municipalities must be linked with their own efforts at resource raising.(167)	(a) to (d) Accepted.
168	b. An impact study should be carried out for all major developments in the city. A congestion charge and/or betterment levy in relation to such projects may be levied wherever warranted.(168)	
169	c. The power to impose fines for violation of civic laws should be given to municipal authorities. The relevant laws may be suitably modified.(169)	
170	d. The fines prescribed for civic offences need to be enhanced. The amount of fine should be regulated by Rules under the law so that it could be revised periodically without the necessity of an amendment to the law.(170)	

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<p>171</p> <p>172</p> <p>173</p>	<p>43. (Para 5.3.7.7) Borrowings</p> <p>a. The limits of borrowings for various municipal bodies in a State may be fixed on the recommendation of the SFC.(171)</p> <p>b. Municipal bodies should be encouraged to borrow without Government Guarantees. However, for small municipalities, pooled financing mechanisms will have to be put in place by the State Government.(172)</p> <p>c. The capacity of the municipalities to handle legal and financial requirements of responsible borrowing must be enhanced.(173)</p>	<p>(a) Not accepted</p> <p>(b) Accepted.</p> <p>(c) Accepted.</p>
<p>174</p> <p>175</p> <p>176</p> <p>177</p>	<p>44. (Para 5.3.8.7) Leveraging Land as a Resource</p> <p>a. Municipal bodies should have a periodically updated database of its properties. IT tools like GIS should be used for this purpose. This database should be in the public domain;(174)</p> <p>b. Land banks available with the municipalities as well as with the development authorities should be leveraged for generating resources for the municipalities. However, such resources should be used exclusively to finance infrastructure and capital expenditure and not to meet recurring costs.(175)</p> <p>c. Until the development authorities are merged with urban local bodies, a proportion of the revenue realised by such agencies from the sale of land, say, 25%, should be made available to the municipalities for meeting their infrastructure financing needs.(176)</p> <p>d. The respective municipal laws should provide that any built up property of municipal bodies shall not be given on rent/lease without following a competitive process. Such a lease period shall not exceed five years.(177)</p>	<p>(a) to (d) : Accepted.</p>
<p>178</p> <p>179</p>	<p>45. (Para 5.4.2.10) Regulatory Services</p> <p>a. A time-bound programme for updating and simplification of all regulatory provisions relating to the ULBs should be made mandatory. Each State Government should create a task force to examine and suggest simplification of procedures in local governments. This task force could also suggest steps to be taken to reduce discretion and bring objectivity in the field offices of local governments. The city municipal corporations could undertake such an exercise on their own.(178)</p> <p>b. All service providers in cities should be brought under one umbrella by establishing 'one stop service centres. This could be completed within two years in all cities. Call centres, electronic kiosks, web based services and other tools of modern technology should be used by all ULBs to bring speed, transparency and</p>	<p>(a) to (d) Accepted.</p>

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180 181	<p>accountability into delivery of services to the citizens.(179)</p> <p>c. Citizens' charters in all Urban Local Bodies should specify time limits for approvals relating to regulatory services such as licenses and permits and these should be scrupulously adhered to. The charter should also specify the relief available to the citizens in case of non adherence.(180)</p> <p>d. A system of self certification by registered architects for issue of building permits should be introduced in all ULBs with immediate effect, to start with, for individual residential units.(181)</p>	
182 183	<p>46. (Para 5.4.3.1.5) Creating a Responsive Institutional Framework</p> <p>a. The local government should be responsible for providing civic amenities in its jurisdiction.(182)</p> <p>b. In respect of all downstream activities of a particular State utility, as soon as it enters the geographical and administrative boundary of an Urban Local Body, the Government utility/ parastatal should become accountable to the ULB.(183)</p>	(a) & (b) Accepted.
184 185 186 187 188	<p>47. (Para 5.4.3.2.8) Water Supply</p> <p>a. Urban Local Bodies should be given responsibility for water supply and distribution in their territorial jurisdictions whether based on their own source or on collaborative arrangements with parastatals and other service providers.(184)</p> <p>b. Metropolitan Corporations may be given responsibility for the entire water supply programme from development to distribution. For other urban local bodies, a phased transfer of responsibilities for management of the distribution networks within their territorial jurisdiction while leaving source development to the parastatal agency would appear to be the most feasible approach.(185)</p> <p>c. State Finance Commissions may be entrusted with the task of developing suitable normative parameters for different classes of local governments for arriving at optimum tariff structure.(186)</p> <p>d. Municipal bodies must focus on increasing operational efficiencies – through reduction in pilferage, improving efficiency of staff and use of technology.(187)</p> <p>e. The municipal bodies should meter all water connection within a time frame. Installing a hierarchy of metering system could help in identifying pilferage. Payment of water charges should be made hassle free through use of Information Technology. As far as possible all water connections should be metered, and</p>	(a) to (g) Accepted.

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189 190	<p>if necessary targeted subsidy should be provided to the poorest sections.(188)</p> <p>f. Infrastructure development plans for water supply should be integrated with the CDPs.(189)</p> <p>g. Municipal bye-laws should provide incentives for adoption of water harvesting measures and recycling of waste water for non-potable purposes. In larger cities, non-potable water (recycled treated water) should be used for industries.(190)</p>	
191 192 193 194	<p>48. (Para 5.4.3.3.9) Sewerage Management</p> <p>a. Sanitation, as a matter of hygiene and public health, must be given due priority and emphasis in all urban areas. In all towns, advance action for laying down adequate infrastructure should be taken to avoid insufficiency of services.(191)</p> <p>b. Each municipal body should prepare a time bound programme for providing sewerage facilities in slum areas. This should be brought into action through appropriate allocation in the annual budget. Local bodies may impose a cess on the property tax or development charges in order to raise resources for expansion and capacity enhancement of the existing sewerage systems. In order to motivate the local governments to generate additional resources for sewerage management, matching grants may be provided by the Union and State Governments.(192)</p> <p>c. Community participation and co-production of services should be encouraged by municipal bodies. This should be supplemented by awareness generation.(193)</p> <p>d. A separate user charge should be introduced in all municipalities, even as a minimum levy, for sanitation and sewerage, as distinct from water charges. State Finance Commissions may be entrusted with the task of developing suitable normative parameters for different classes of local governments for arriving at optimum user charges.(194)</p>	(a) to (d) Accepted.
195 196 197	<p>49. (Para 5.4.3.5.3) Solid Waste Management and Scavenging</p> <p>a. In all towns and cities with a population above one lakh, the possibility of taking up public private partnership projects for collection and disposal of garbage may be explored. This should, however, be preceded by development of capacity of the municipal bodies to manage such contracts.(195)</p> <p>b. Municipal bye-laws/rules should provide for segregation of waste into definite categories based on its manner of final disposal.(196)</p> <p>c. Special solid waste management charges should be levied on units generating high amount of solid waste.(197)</p>	(a) to (f) Accepted.

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198 199 200	<p>d. Extensive surveys should be carried out by the State Governments to identify manual scavengers and estimate the number of dry latrines in existence within six months.(198)</p> <p>e. Following the survey, adequate funds should be allocated for the purpose of eradication of manual scavenging within one year.(199)</p> <p>f. Central Assistance to States Annual Plan should be tied to eradication of manual scavenging. Funds allocated under the JNNURM should also be linked to it.(200)</p>	
201 202 203	<p>50. (Para 5.4.3.6.4) Power Utilities and Municipal Bodies</p> <p>a. Municipal bodies should be encouraged to take responsibility of power distribution in their areas. This, however, should be done after adequate capacity building in these organisations.(201)</p> <p>b. Municipal building bye-laws should incorporate power conservation measures.(202)</p> <p>c. Municipal bodies should coordinate the layout plans for the distribution networks of power and other utilities.(203)</p>	(a) to (c) Accepted.
204 205 206 207 208 209	<p>51. (Para 5.4.4.3) Services for Human Development</p> <p>a. There has to be a shift in emphasis in the crucial service delivery sectors of education and health from centralised control to decentralised action, from accountability to the State department to accountability to the local communities and from employment guarantee to service guarantee.(204)</p> <p>b. It is necessary that all schools are made functionally self-sufficient, in as much as basic facilities and classroom requirements are provided in all urban schools within the next two years.(205)</p> <p>c. The municipalities, especially the larger ones, should seek the help of NGOs, the corporate sector and individual volunteers for assistance in running schools. Indeed, it would be useful to initiate a voluntary service element in our social sector to improve service delivery.(206)</p> <p>d. The trend in urban areas to shift towards private healthcare needs to be seen as an opportunity by the City authorities to concentrate on public health as distinct from clinical services, and on preventive and not only curative aspects of health care.(207)</p> <p>e. Institution specific standards should be prescribed for schools and hospitals and third party assessments carried out to monitor performance in service delivery. Performance based incentives should be prescribed at all levels by breaking salary ceilings to guarantee service outcomes and linking permanence in service to performance.(208)</p> <p>f. Recruitment for hospitals and schools should be</p>	(a) to (i) Accepted.

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<p>210</p> <p>211</p> <p>212</p>	<p>made to an institution/Society, moving away from non accountable State level recruitment.(209)</p> <p>g. Local bodies should ensure convergence among health systems, sanitation facilities and drinking water facilities. Primary level public health institutions in urban areas should be managed by the urban local bodies.(210)</p> <p>h. For all services provided by local governments there is need to develop a set of performance indicators. The concerned Ministry should lay down broad guidelines for this purpose. Thereafter, the State Governments could lay down norms for this purpose.(211)</p> <p>i. The concerned Ministry should maintain a State-wise database about the performance of various service delivery systems. Similarly, the State should have a database for such services covering all municipal bodies.(212)</p>	
<p>213</p> <p>214</p> <p>215</p> <p>216</p> <p>217</p> <p>218</p>	<p>52. (Para 5.4.5.15) Urban Transport Management</p> <p>a. Urban Transport Authorities, to be called Unified Metropolitan Transport Authorities in the Metropolitan Corporations, should be set up in cities with population over one million within one year, for coordinated planning and implementation of urban transport solutions with overriding priority to public transport.(213)</p> <p>b. UMTAs/UTAs should be given statutory powers to regulate all modes of public transport, decide on complementary routes for each operator, and fix fares as well as service standards, etc. In addition, UMTAs/UTAs should be given financial powers and resources to give or recommend financial support, where necessary, to operators on unviable routes.(214)</p> <p>c. Integration of land use with transport planning should be made mandatory for all ULBs as well as planning bodies such as the DPCs and MPCs.(215)</p> <p>d. Demand for transportation in cities should be managed by adopting demand control measures like:</p> <p>i. Imposition of congestion levies;</p> <p>ii. Pedestrianisation of certain zones; and</p> <p>iii. Reserving access to certain areas only through public transport.(216)</p> <p>e. Revitalisation of public transport services in cities should be taken up as priority projects under JNNURM and by tapping other sources of revenue as has been done in Indore and other cities. The aim should be to promote well structured public-private initiatives for modernising and redefining public transport. At the same time the efficiency of the existing State owned transport systems needs to be improved.(217)</p> <p>f. Public transport systems should generally be multi-modal. The modes should be based on economic</p>	<p>(a) to (g) Accepted.</p>

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219	<p>viability. High capacity public transport systems like metro rail or high capacity bus systems should form the backbone in mega cities supplemented by other modes like a bus system.(218)</p> <p>g. While building transport infrastructure in cities, it must be ensured that the needs of the pedestrians, the elderly, the physically challenged and other users of non motorised means of transport are adequately met.(219)</p>	
220	<p>53. (Para 5.4.6.14) JNNURM - A Reform Process</p> <p>a. On the basis of projections, the total investment needed for urban renewal appears to be far in excess of the funds available. Government must find ways and means to fund this flagship programme – JNNURM – adequately.(220)</p>	(a) to (d) Accepted.
221	<p>b. The conditionalities linking reforms with fund flows should be enforced as per the schedules agreed between the ULBs and the Government of India without exceptions or relaxations.(221)</p>	
222	<p>c. There should be sectoral allocations for sanitation and solid waste management.(222)</p>	
223	<p>d. Capacity building measures should not be confined to only the selected towns and should be available for all cities/towns.(223)</p>	
224	<p>54. (Para 5.4.7.2) A Critical and Urgent Area of Reform - Real Estate</p> <p>a. There is urgent need to bring in legislation to regulate the Real Estate sector on the lines mentioned in paragraph 5.4.7.1.(224)</p>	(a) Accepted.
225	<p>55. (Para 5.5.2.9) Re-Forming Mega Cities</p> <p>a. Public-Private Partnership projects for redevelopment of inner city areas need to be encouraged through a transparent and well structured regulatory regime of incentives and penalties.(225)</p>	(a) Accepted.
226	<p>56. (Para 5.5.3.4) Developing 25-30 World Class Mega Cities in India</p> <p>a. Government should prepare an action plan to redevelop about 25-30 cities (having a population of more than a million) to achieve international level amenities and services as modern megacities of the future.(226)</p>	(a) to (c) Accepted.
227	<p>b. Reform linked initiatives like JNNURM are an opportunity to complement physical development with enforcement of civic laws and general law enforcement in order to usher in genuine civic regeneration in our cities.</p> <p>In addition to infrastructure development in our cities, such large capital investment programs for city development should be invariably linked with a zero tolerance strategy towards civic violations.(227)</p>	

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228	c. As mentioned in the Commission's report on 'Public Order', a "zero tolerance strategy" can be institutionalised in the enforcement departments of local bodies by using modern technology to monitor the levels and trends in various types of civic offences. These can then be linked to a system of incentives and penalties to hold accountable the officials working in these departments. On the spot fines and other summary penalties should be used to inculcate civic discipline and deter and prevent minor civic violations that are at present largely ignored.(228)	
229	<p>57. (Para 5.5.4.7) Authorities for Metropolitan Corporations</p> <p>a. As recommended in the Commission's report on 'Public Order', a Metropolitan Police Authority should be set up in all cities with a population above one million to oversee community policing, improve police-citizen interface, suggest ways to improve quality of policing, approve annual police plans and review the working of such plans.(229)</p>	(a) Not accepted.
230	b. As recommended in para 5.4.5.15 of this Report, a Unified Metropolitan Transport Authority should be set up in an all mega cities for coordinated planning and implementation of urban transport solutions with overriding priority to public transport.(230)	(b) to (d) Accepted.
231	c. For all Metropolitan Corporations, which may be defined as cities with a population exceeding 5 million, MPCs may be constituted with the Chief Minister as the Chairperson in order to give the required impetus to the process of planning for such urban agglomerations.(231)	
232	d. In all cities with a population exceeding five million, a Metropolitan Environment Authority needs to be set up with powers delegated by the State Government from the State Pollution Control Board and related authorities. It should be vested with adequate powers for urban environmental management within the city limits.(232)	
233	<p>58. (Para 5.6.2.3) Beneficiary Identification</p> <p>a. An exhaustive survey to identify the urban poor should be carried out within one year. The parameters to be used for such identification should be simple and easily comprehensible, allowing objective measurement without the use of discretion. The basic parameters should be spelt out at the national level. The identification should be based on a door-to-door survey with the survey teams including at least one person from the Area Sabha concerned. The urban poor so identified may be issued multi-utility identity cards for availing benefits under all poverty alleviation</p>	(a) Accepted.

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243	<p>cost, provide suitable housing in any other appropriate place acceptable to the authorities.(242)</p> <p>d. A detailed programme for the provision of night shelters needs to be drawn up in all cities, beginning with large cities having Metropolitan and Municipal Corporations, for implementation.(243)</p>	
244	<p>63. (Para 5.7.2.12) The Town and Country Planning Act(s)</p> <p>a. The City Development Plan (CDP) and zoning regulations once approved should remain in force for ten years. No authority should normally have any power to change the CDP.(244)</p>	(a) to (e) Accepted.
245	<p>b. Infrastructure plans should be made an integral part of the City Development Plan (CDP) in order to ensure that urban planning in cities become a truly holistic exercise.(245)</p>	
246	<p>c. The existing system of enforcement of building regulations needs to be revised. It should be professionalised by licensing architects and structural engineers for assessment of structures and for certification of safe buildings. The units of local bodies dealing with enforcement of building bye-laws and zoning regulations also need to be strengthened.(246)</p>	
247	<p>d. Prevention of Disaster Management must find a prominent place in spatial planning. Specific guidelines need to be framed by the Ministry of Urban Development. These should be addressed by including them in the zoning regulations and building bye-laws.(247)</p>	
248	<p>e. The standards prescribed by BIS for disaster resistant buildings should be available in the public domain, free of cost. They should also be posted on websites of the concerned government agencies to promote compliance.(248)</p>	
249	<p>64. (Para 5.7.5.3) Development Areas</p> <p>a. In respect of all townships and satellite towns developed under the development authorities, it should be ensured that as soon as the development process is completed, jurisdiction over the township should be transferred to the local bodies.(249)</p>	(a) Accepted.
250	<p>65. (Para 5.7.6.5) Private Townships</p> <p>a. Private townships and gated communities must be placed under the jurisdiction of the concerned local body and subject to its laws, rules and bye-laws. However, they can have autonomy for provision of infrastructure and services within their precincts and /or for collection of taxes and charges (para 5.7.7.2) (250)</p>	(a) & (b) Accepted.
251	<p>b. The establishment of private, gated colonies must be allowed only within the broad parameters of the larger regional urban planning process where the</p>	

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	development plans must clearly indicate spaces for private expansion make mandatory provision for low cost housing and should be integrated with the availability of infrastructure services.(251)	
252	66. (Para 5.7.7.4) Special Economic Zones (SEZs) a. As in the case of private townships, concerned local bodies should have full jurisdiction with regard to enforcement of local civic laws in the SEZs.(252)	(a) & (b) Accepted.
253	b. SEZs may be given autonomy for provision of infrastructure and amenities in the SEZ area. A formula for sharing the resources raised in the SEZ area needs to be developed.(253)	
254	67. (Para 5.8.4) Urban Local Bodies and the State Government a. Municipal governments should have full autonomy over the functions/activities devolved to them.(254)	(a) to (c) Accepted.
255	b. If the State Government feels that there are circumstances that make it necessary to suspend or rescind any resolution passed by the Urban Local Bodies or to dissolve or supersede them, it should not do so unless the matter has been referred to the concerned local body Ombudsman and the Ombudsman recommends such action.(255)	
256	c. If, on any occasion, the State Government is in possession of records or has adequate reasons to initiate action against the Urban Local Bodies or its elected representatives, it should place the records before the local body Ombudsman concerned for investigation.(256)	

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