



REPORT OF THE EXPERT COMMITTEE

GOVERNANCE IN THE BANGALORE METROPOLITAN REGION

AND

BRUHAT BANGALORE MAHANAGARA PALIKE

BANGALORE
March 2008



Report of the Expert Committee

on

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F O R E W O R D

It gives me an immense sense of satisfaction to place on behalf of the Expert Committee, the Report on Governance in the Bangalore Metropolitan Region and the Bruhat Bangalore Mahanagara Palike.

All of us in the Committee were only too aware of the challenges that had to be grappled with, in taking on the assignment of setting forth a new framework for Bangalore's governance – a city, whose rise to the status of a metropolis has been much more rapid compared to other large cities in the country. The Committee's deliberations were ably supported by members, whose profiles exhibited a vigorous blend of sound practical experience and deep knowledge in matters of urban governance apart from expertise in management, science and information technology. This enabled a comprehensive perspective of the contentious issues and problems that beset Bangalore today. These issues include urban management concerns as well as the imperatives of sustaining the growth of a city that is globally acclaimed for its contribution to the development of the knowledge economy. Such acclaim casts a responsibility on the Government as well as others concerned, to establish a structure of governance which can nurture the development of the city and the vibrancy of its economy. More importantly, it should be participatory and inclusive of the citizenry.

The Committee held consultations across a broad spectrum, representing different sections of society namely, political leaders, business associations, NGOs, CBOs, eminent persons and government officers. The insights gained during these consultations were extremely useful in shaping this Report.

Our recommendations are far reaching in terms of calling for a major shift in the planning paradigms and a significant restructuring of the political and administrative machinery, for better governance. It may, at first sight, appear somewhat radical. But the Committee believes that such a comprehensive overhaul is called for, in the interest of adroit management of the growth of this region, with a view to realize its dynamic development potential.

I would like to thank the members for their patience and cooperation, despite their busy schedules, in helping to put together this Report. The Committee would also like to place on record its appreciation for the inputs received from several senior officers of the Urban Development Department and other departments of Government of Karnataka, which helped the Committee in understanding and appreciating the complexities, before arriving at its conclusions and recommendations.

In particular, the Committee expresses its deep appreciation to Ms. Lakshmi Venkatachalam, who was the Principal Secretary to Government, Urban Development Department, at the time the Committee was constituted and to Shri K. Jothiramalingam, the present Principal Secretary, for their un-stinted support during the process of deliberations. Ms. Lakshmi Venkatachalam continued to assist the Committee in her present capacity as Principal Secretary to Government, Planning Department, till the completion of the Report.

The submission of the Report is only the beginning. The real test lies in implementation of its recommendations and that too in the shortest time possible, as Bangalore cannot wait!

All the members of the Committee join me in commending the Report to the Government of Karnataka for acceptance.



Dr. K. Kasturirangan
Chairman



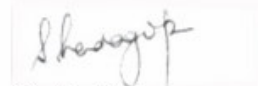
Dr. A. Ravindra
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A C K N O W L E D G E M E N T S

It is difficult to acknowledge in full measure, the contributions of several persons who devoted their time and energy in assisting the Committee with its task of finalizing the recommendations in this report. The task was made even more exacting, given the problems of having members with varying travel schedules and engagements. Not surprising therefore that the Committee took more than one year to fulfil its mandate and bring out its report. But, now that the work is finally over, the Committee would like to say thanks to:

All the participants and stakeholders at the consultative sessions held at various intervals whose ideas and suggestions gave much to think about;

Shri Sudhir Krishnaswamy, Asst. Prof., National Law School University, Bangalore, whose contribution both at the conceptual level and in drafting the report was invaluable;

Shri S.L.Narasimhan of Urban First for inputs on BBMP and other parastatal organizations, particularly on financial and other operational issues;

Shri Jawaid Akthar, MD, KUIDFC and his dedicated team who provided secretarial and logistic support to the Committee, **Shri P.Bathan Lal**, Advisor, MRC, KUIDFC tirelessly worked for arranging meetings and more crucially, the long and arduous sessions in the last 3-4 months, for drafting the report. KUIDFC's warm hospitality in hosting several brain storming sessions, where Jawaid actively contributed in helping the Committee members resolve thorny debatable issues on several aspects of urban planning and governance, needs a special mention.

Dr. V.R.Hegde of Zoomin Softech Pvt. Ltd., Bangalore, who helped in preparing very useful maps (incorporated in the Annexure) depicting, revenue districts, LPAs, ULBs etc; in the Bangalore Metropolitan Region.

Shri G.Omprakash Raju, Assistant Statistical Officer, for his assistance in word processing, when the draft report was being edited and finalized.

To all others who directly or indirectly assisted the Committee in completing its task.

A B B R E V I A T I O N S

ARC	Administrative Reforms Commission
ARV	Annual Rental Value
BBMP	Bruhat Bangalore Mahanagara Palike (Greater Bangalore Municipal Corporation)
BBMP Act	Proposed Bruhat Bangalore Mahanagara Palike Act
BCC	Bangalore City Corporation
BDA	Bangalore Development Authority
BDA Act	Bangalore Development Authority Act, 1976
BESCOM	Bangalore Electricity Supply Company
BIAPA	Bangalore International Airport Area Planning Authority
BMA	Bangalore Metropolitan Area
BMAP Act	Proposed Bangalore Metropolitan Area Planning Act
BMAPC	Proposed Bangalore Metropolitan Area Planning Council (Metropolitan Council)
BMDA	Proposed Bangalore Metropolitan Development Authority Act
BMICPA	Bangalore Mysore Infrastructure Corridor Planning Authority
BMLTA	Bangalore Metropolitan Land Transport Authority
BMP	Bangalore Mahanagara Palike (Bangalore City Corporation)
BMPB	Proposed Bangalore Metropolitan Planning Board
BMR	Bangalore Metropolitan Region
BMRCL	Bangalore Metro Rail Corporation Limited
BMRDA	Bangalore Metropolitan Region Development Authority
BMTC	Bangalore Metropolitan Transport Corporation
BMWSB	Proposed Bangalore Metropolitan Water and Sewerage Board
BOT	Build-Operate-Transfer
BSUP	Basic Services for the Urban Poor
BWSSB	Bangalore Water Supply and Sewerage Board
BWSSB Act	Bangalore Water Supply and Sewerage Board Act, 1964
CAA	Constitution Amendment Act, 1993
CAG	Comptroller & Auditor General
CBO	Community Based Organization
CCF	City Challenge Fund
CCT	Commissioner of Commercial Taxes
CDP	City Development Plan
CIF	Capital Investment Folio
CMC	City Municipal Council
CUMB	Committee on Urban Management of Bangalore (1997)

DPC	District Planning Committee
EFC	Eleventh Finance Commission
ERP	Enterprise Resource Plan
FBAS	Fund Based Accounting System
FYPs	Five-Year Plans
GBWSP	Greater Bangalore Water and Sanitation Project
GoI	Government of India
GP	Gram Panchayat
IUPR	India Urban Poverty Ratio
JNNURM	Jawaharlal Nehru National Urban Renewal Mission
KIADB	Karnataka Industrial Areas Development Board
KLR Act	Karnataka Land Revenue Act, 1964
KM Act	Karnataka Municipalities Act, 1964
KMC Act	Karnataka Municipal Corporations Act 1976
KMSC	Proposed Karnataka Municipal Services Commission
KSCB	Karnataka Slum Clearance Board
KSRTC	Karnataka State Road Transport Corporation
KTCP Act	Karnataka Town and Country Planning Act, 1961
KUWASIP	Karnataka Urban Water and Sector Improvement Project
LPA	Local Planning Area
LPAs	Local Planning Authorities
MDF	Metropolitan Development Fund
MDP	Metropolitan Development Plan
MIS	Management Information System
MLA	Member of Legislative Assembly
MLC	Member of Legislative Council
MML	Model Municipal Legislation
MoEF	Union Ministry of Environment and Forest
MoUD	Union Ministry of Urban Development
MP	Member of Parliament
MPC	Metropolitan Planning Committee
MSC	Municipal Services Commission
MUNI	Municipal Network Infrastructure
NGO	Non Governmental Organisations
NIPFP	National Institute of Public Finance & Policy
NMAM	National Municipal Accounting Manual
NUTP	National Urban Transport Policy
O&M	Operation and Maintenance
OBA	Output Based Aids
PFDF	Pooled Finance Development Fund
PFDS	Pooled Finance Development Scheme
PPP	Public Private Partnership
PWD	Public Works Department

RCUDA	Ramanagaram Chennapatana Urban Development Authority
RLB	Rural Local Bodies
RNTCP	Revised National Tuberculosis Control Programme
SCs / STs	Scheduled Castes/Scheduled Tribes
SDMC	School Development and Monitoring Committees
SEBI	Securities and Exchange Board of India
SEZs	Special Economic Zones
SFC	State Finance Commission
TMC	Town Municipal Council
TNUDP	Tamil Nadu Urban Development Project
TOR	Terms of Reference
TP	Town Panchayat
UGD	Underground Drainage
ULB	Urban Local Bodies
UMTA	Unified Urban Transport Authorities
URIF	Urban Reforms Initiative Fund
USAID	United States Agency for International Development
UWSS	Urban Water Supply and Sanitation
WC	Ward Committee
ZP	Zilla Panchayats

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CHAPTER – 1
Executive Summary

C H A P T E R - 1

Executive Summary

- 1.1 The Expert Committee on Governance in the Bangalore Metropolitan Region (BMR) and the Bruhat Bangalore Mahanagara Palike (BBMP) also known as the Greater Bangalore Municipal Corporation recognizes the need for a paradigm shift from the previous policy focus on city level urban local government to a metropolitan level institution to enable better strategic planning and co-ordination, and to address Bangalore's multiple challenges.

Metropolitan Governance (Chapter – 4)

- 1.2 The failure to set up a Metropolitan Planning Committee (MPC) is a continuing breach of the requirements of the 74th Constitution Amendment Act, 1993 (74th CAA). With a view to enable comprehensive planning for a contiguous region which faces similar growth pressures, the State Government must first set up the MPC for the Bangalore Metropolitan Area (BMA). The MPC must include the territorial area presently covered by the Bangalore Metropolitan Region Development Authority (BMRDA) (about 8000 sq. kms) and this area must be declared as the BMA. This area will include the three revenue districts of Bangalore Urban, Bangalore Rural, and the recently formed district of Ramanagaram.
- 1.3 Further, in order to give adequate representation to regional interests and the various elected local bodies in this vast territorial area, the MPC should have 63 members. 42 out of the 63 members shall be elected while the remaining 21 shall be nominated. 31 members will be elected from the Urban Local Bodies (ULBs) and 11 will be elected from rural local bodies. These members shall be elected from 3 electoral segments comprising

(1) Corporators of BBMP, (2) Councillors of the other urban municipalities and (3) the Chairpersons of the 314 Gram Panchayats, 12 Taluk Panchayats and 3 Zilla Panchayats. As the MPC is a Committee envisaged under the 74th CAA, the election to the Committee should be conducted by the State Election Commission, Karnataka. The term of office of an elected member may be co-terminus with his holding of the elected office.

- 1.4 Out of the 21 seats for nominated members, 10 may be provided for MLAs, MLCs and MPs. In order to facilitate the alignment of political momentum between the state and city government towards metropolitan governance, the Committee recommends that the Chief Minister of Karnataka should be the Chairperson of the MPC and that the Mayor of the BBMP should be the Vice Chairperson. The remaining 9 nominations may be made from categories listed below:

1. A representative from the manufacturing industry;
2. A representative from the service industry including IT;
3. A representative from Trade and Commerce;
4. A representative from the Real Estate Industry;
5. An individual with recognized expertise in Environmental affairs;
6. An individual with expertise in education / health;
7. An individual of high professional recognition in urban planning including fields such as Architects and Town Planners;
8. An individual with Legal Expertise;
9. The Metropolitan Commissioner, who will also be the Member-Secretary of the MPC, who will be a person not below the rank of Principal Secretary to Government of Karnataka.

- 1.5 Any individual nominated by the State Government vide categories 1 to 4 should be first proposed by the appropriate recognized state or national associations and their tenure on the MPC should not exceed three years. Members nominated vide categories 5, 6, 7 and 8 above shall have a term of three years. The tenure of the MLAs, MLCs and MPs shall be co-terminus with their term of office and shall not exceed three years.
- 1.6 The entire MPC shall meet at least twice a year while a core Executive Committee and various subject committees may carry out the work of the MPC through the year. The MPC may have subject committees on areas such as water and sanitation, environment, transport and social sector issues. The Executive Committee should meet frequently to review progress on all fronts and give its report on proposals to be examined and endorsed by the MPC. Relevant governmental organizations may be drafted into the appropriate sub-committee of the MPC to ensure co-ordination.
- 1.7 The BMRDA Commissioner shall be the Member-Secretary of the MPC and the BMRDA shall be the permanent secretariat to the MPC. The BMRDA should function as the technical and administrative arm of the MPC, which will be the metropolitan level political institution. The BMRDA's role as a metropolitan level regulator and planner must be strengthened and it should no longer be directly involved with project implementation.

Planning for the Bangalore Metropolitan Region (Chapter – 5)

- 1.8 The MPC should be invested with both planning and co-ordinating functions. To be an effective co-ordinator, the MPC should be vested with the necessary executive powers by law and regulation to perform this role.

The MPC should be given the statutory power to review and suggest changes and in certain cases, overrule plans of the ULBs on issues which have a regional significance.

- 1.9 To enable the MPC to carry out a co-ordinating and integrating role, we need to put in place a clear hierarchy of planning institutions and plans where the Metropolitan Development Plan (MDP) under the MPC should override all other plans developed by other state functionaries and local bodies in the metropolitan region. This institutional hierarchy whereby the MPC is conferred with the overall decision making power must be established in the statutes to be drafted for creation of the MPC in Karnataka. Related statutes such as the Karnataka Town and Country Planning Act, 1961 (KTCP Act) and the Bangalore Metropolitan Regional Development Authority Act, 1985 (BMRDA Act) should also be amended to accommodate the primacy of the MPC.
- 1.10 Further, it is necessary that the MPC has a review function in regard to the plans prepared by the BBMP, other ULBs, and BMRDA and sectoral plans prepared by other statutory bodies. Such a power is already available with the BMRDA. The Committee recommends that this particular power should be suitably amplified and vested in the MPC rather than the BMRDA. The Committee further recommends that since the MPC is a politically representative body where the State Government is represented, it is not necessary for the regionally coordinated spatial plan for the BMA (Master Plan) to be referred to the State Government, for formal approval.
- 1.11 For this co-ordinated planning to take place, land use planning should be integrated with economic, social and environmental planning. Further, the democratically elected urban local government should be given overall

control over the use of land within their territorial jurisdiction subject to the guidelines of the MPC and MDP. For land use planning to be successful and effective, the MPC must be vested with the power to control land use. To enable the MPC to determine overall land use in the metropolitan region, section 95 of the Karnataka Land Revenue Act, 1964 (KLR Act) needs to be amended to divest the State Government Revenue Department functionaries of this power, and vest it with the metropolitan level government.

- 1.12 In the rural areas, the powers of the Rural Local Bodies (RLBs) to grant development permissions must be restricted to the Gram Thana areas after a survey is conducted by the BMRDA to demarcate such areas. Further, in these areas as well as other rural areas, the powers of the RLBs to grant development permissions should be regulated and restricted by the BMRDA. Relevant laws such as the KTCP Act, the Karnataka Land Reforms Act, 1961, KLR Act and the Karnataka Panchayat Raj Act, 1993 should be amended to provide for the same. The BMRDA should establish a network of local planning offices in the various regions of the BMR.
- 1.13 The power to create a Master Plan, within their respective jurisdictions, under the KTCP Act should be conferred on the BBMP and the other ULBs in the BMR. For the areas in the BMR which are governed by rural local bodies, this power may be conferred on the BMRDA which will be accountable to the MPC. This would mean that no further Local Planning Authorities are necessary in the BMR. Further, Sections 14, 15, 16, 17 and 18 of the KTCP Act should be amended to confer enforcement powers on the ULB and the BMRDA for their respective jurisdictions.
- 1.14 Two institutions in the BMR viz; the ULBs and the DPC may be given overall responsibility for economic and social planning under the

guidance of the MPC. The ULBs in the BMR should prepare City Level Development Plans (CDPs). The CDPs may be given a statutory basis and all parastatals operating in ULB jurisdiction would have to comply with these plans. Planning for social and economic advancement in other areas of the BMR which is not under the jurisdiction of the ULBs insofar as it falls within the purview of the district sector, should be done by the concerned District Planning authorities under District Planning guidelines; however, these plans need to get integrated into the overall MDP to be prepared by the MPC. Further, sectoral planning, cutting across the BMR, having regional implications will have to be carried out by the parastatal organizations and departments of government and overseen by the sectoral divisions within the BMRDA and approved by the MPC.

- 1.15 The introduction of capital investment planning and budgeting is absolutely essential to establish a rational system to mobilize institutional resources on the one hand, and ensuring that capital creation matches income necessary to operate and maintain the investments, on the other. The capital budgets of these institutions must be approved by the MPC. By empowering the MPC with the statutory authority to periodically monitor and enforce these plans, we will provide an institutional framework to streamline financial planning in the BMR.
- 1.16 Finally, it is critical that district jurisdictions and ULB and RLB jurisdictions be streamlined so as to ensure a coherent planning framework. A new district of Ramanagaram was created in August 2007 by splitting the southern part of the erstwhile Bangalore Rural District. The Bangalore Urban District, for the most part, includes the BBMP, apart from Anekal TMC and some adjoining rural areas. The Committee feels

that Bangalore Urban District, in order to reflect its urban character may be confined exclusively to the BBMP area. Therefore, Anekal TMC and the other rural local bodies in Bangalore Urban district may be merged in Bangalore Rural or Ramanagaram district in an appropriate manner. The Committee on Taluk Reorganization, set up by the State Government may look into this suitably. Moreover, the Zilla Panchayats (ZP) in the BMR can then be reduced to two districts i.e., Bangalore Rural and Ramanagaram and the planning functions can be integrated to the MPC.

Reorganization of Bruhat Bangalore Mahanagara Palike (Greater Bangalore Municipal Corporation) (Chapter – 6)

- 1.17 The 74th CAA 1993 mandates that there shall be an independent third tier of local government for urban areas but does not specify the institutional character of this level of government. Hence, State Governments have some liberty in choosing an appropriate institutional form depending on local conditions.
- 1.18 It is felt that the challenge of governance in a complex metropolis like Bangalore requires a new leadership paradigm which guarantees political and administrative dynamism and stability. The Committee is of the view that a directly elected Mayor will fulfill this requirement and recommends that the BBMP should have a Mayor who is directly elected by the people with a fixed term of 5 years. The term of 5 years for the Mayor will allow him/her to emerge as a politically accountable leader at local government level with a democratic mandate comparable to political leaders at other levels of government. It is also recommended that the Mayor should be vested with executive powers of the Municipal Government
- 1.19 The Mayor should be assisted by a Mayoral Committee not exceeding 8 members (excluding the Mayor), chosen by the Mayor, from among

elected and nominated councillors. These members may be given delegated subjects such as Finance, Projects, Municipal and Social Services, Administration, Planning etc., by the Mayor. Further, the Mayoral Committee must be recognized as an authority under the Act with requisite powers. Important decisions taken by the Mayor would have to be ratified by the Committee. The tenure of the members of this Committee shall be co-terminus with that of the Mayor.

- 1.20 The Corporation Council must retain a strong deliberative and scrutiny function but should no longer be vested with the executive powers of the municipal government as these should be vested with the Mayor. The number of wards and Councillors must be increased, in keeping with the increased jurisdiction as determined by the delimitation process and this should be provided for in a new BBMP legislation. The number of nominees may be fixed at 10% of the total number of elected members and the nominations may be from ‘persons having special knowledge and experience in municipal administration or matters relating to health, town planning or education’ as presently set out in Section 7(b)(i) of the Karnataka Municipal Corporations Act, 1976 (KMC Act). Further, the provision to nominate ‘social workers’ in Section 7(b)(ii) of this act should be deleted.
- 1.21 In order to maintain the status of the Municipality as a self-governing institution, it is critical to ensure that only Councillors get to vote on decisions affecting the Corporation. Hence, the Committee recommends that the provisions of Section 9 of the KMC Act should be suitably amended to provide for this. With a directly elected Mayor, the role and the number of Standing Committees needs to be redefined. BBMP Committees must hereafter play the role similar to Legislative House

Committees viz; to evaluate the functioning of departments and provide policy guidance. As the Mayor will no longer be eligible to participate in the Corporation Council, the Corporation shall elect a Chairman of the Council who will act as the presiding officer of the Corporation. The term of the Chairman shall be co-terminus with that of the Corporation.

1.22 The Commissioner of BBMP should be selected by a high powered Search Committee set up by the State Government in consultation with the Mayor. The Search Committee may advertise for the position by specifying the qualifications and experience necessary for the job and invite applications from as wide a spectrum as possible. The Mayor may appoint any one of the candidates short listed by the Search Committee, after due process. The Commissioner's role should be redefined in the new, proposed legislation for BBMP, so as to make him responsible and accountable to the Mayor and the Corporation. The power of the State Government to direct the Commissioner or the Corporation to provide records or take particular actions (as currently existing in the KMC Act) does not appear to be necessary and needs to be deleted. However, the State Government should have the power to give directions or dissolve the Corporation in times of emergency. The Commissioner shall have a tenure of three years.

1.23 The creation of the enlarged BBMP must be accompanied by effective and meaningful decentralization of decision making and municipal service delivery. A comprehensive activity mapping exercise should be carried out to define the functions to be performed at each level of the BBMP: Ward, Zone and Head Quarters. Therefore, the BBMP legislation should be revised to accommodate these activities and give suitable functions to the Committees formed at each level.

- 1.24 Furthermore, at the Zonal and Ward levels, political authorities should be created which complement the administrative structures already created in order to facilitate appropriate decision making and implementation. The BBMP area may be divided into 8-10 zones each comprising about 20 Wards. A Zonal Committee which consists of the Councillors from each ward in the Zone must supervise service delivery and project implementation in the Zone and should be given the power to issue directions to the Zonal Office of the BBMP. Also, Ward Committees must be reconstituted in an effective manner. Each of these Committees should be constituted in every ward by elections as well as through nominations, by a wide range of stake holders including educational institutions and neighbourhood organizations.
- 1.25 Finally, Government must set up Appellate Tribunals to resolve municipal taxation and service disputes, and a Municipal Services Commission to recruit municipal employees for all the ULBs in the State. Suitable provision must be made to this effect in the new BBMP legislation and amendments carried out in the KMC and KM Acts.

Restructuring Parastatals (Chapter – 7)

- 1.26 The Bangalore Development Authority (BDA) is a pre-eminent statutory authority which has a significant impact in the BMA. It is recommended that the developmental mandate of the BDA should be enlarged so that it may function beyond its present jurisdiction and take on the role of a metropolitan level infrastructure development agency. Further, Section 2C of the BDA Act must be amended to give the BDA jurisdiction over the entire BMR. This re-oriented BDA, with its focused developmental mandate with enlarged jurisdiction, may be reconstituted as a Company under the Companies Act. Wherever ULBs develop plans and projects to

be funded by them, the BDA may execute projects on a contractual and commercial basis or execute some projects on a preferred agency basis as is presently the case with BWSSB. The BDA must be divested of its planning and regulatory functions which will be transferred to the BBMP / BMRDA.

- 1.27 Additionally, the planning and policy orientation of the BMRDA should be re-emphasised. The BMRDA should be given overall regulatory authority over land use and suitable amendments to Section 9 of the BMRDA Act need to be made, so that BMRDA's authority to develop spatial plans overrides existing legislations like the Karnataka Land Revenue Act and the KTCP Act. In order to facilitate this, the BMRDA should develop a new model of staffing so that a significant proportion of its employees are experts drawn from outside government on a contractual basis in order to attract the best available talent.
- 1.28 The Bangalore Water Supply and Sewerage Board's (BWSSB) jurisdiction should be enlarged to cover the whole metropolitan region. A Special Purpose Vehicle (SPV) should then be established under the joint ownership of the BWSSB and the BBMP to manage the retail distribution of water supply in the BBMP area while maintaining BWSSB's present mandate on water source augmentation, sewerage and waste water management. Later, operations and maintenance of sewerage (UGD) can also be handed over to the SPV.
- 1.29 In order to develop an adequate response to the serious transport issues facing the BMR, it is essential that the newly created Bangalore Metropolitan Land Transport Authority (BMLTA) be strengthened by giving it a statutory basis. Further, the BMLTA must operate as a wing of the MPC/BMRDA and be accountable to it. The MPC should review its

functioning periodically and endorse the plans prepared for comprehensive infrastructure and integrated urban and peri-urban transport systems. The BMTC's jurisdiction should be extended to cover the BMR. It is critical for BMLTA to also undertake short term measures that alleviate the serious traffic problems confronting the city today.

Financial Issues (Chapter – 8)

- 1.30 The MPC should prepare a Metropolitan Budget which reflects the capital expenditure of key infrastructure components and also sources of revenue. Such a Budget will be based on the plans and budgets of the various agencies and the MDP to be prepared by the MPC. The Budget can be prepared by BMRDA and approved by the MPC and placed on the floor of the State Legislative Assembly. The Urban Development department of the State Government should present the case of Bangalore before the State Finance Commission (SFC) to secure additional sources of revenue so as to make the BBMP a fiscally strong institution.
- 1.31 The Committee recommends that the financial powers of BBMP must be reviewed comprehensively to provide for maximum autonomy. The present requirement of referring proposals to the State Government to incur expenditure above a certain threshold is cumbersome and unnecessary. The proposed new legislation on BBMP must provide for adequate financial autonomy in line with ULBs of similar size / stature, across the country.

Social Service Delivery (Chapter – 9)

- 1.32 The MPC and the BBMP should reorient their organizational focus and policy to undertake comprehensive poverty alleviation programmes, with special emphasis on the plight of Scheduled Castes/Scheduled Tribes

(SCs/STs) and other marginalized sections within the city. They should also streamline service delivery in the fields of education, health and housing. These institutions should develop an ‘Urban Indicators Database’ so that the deficits in service delivery may be bridged by effectively targeted programmes.

- 1.33 The education policy with respect to State Government schools within the BBMP area requires review. The State Government should accept and implement the recommendations made by the Administrative Reforms Commission and the BBMP should accept the same. All primary, secondary and high schools presently administered by the State Government within the BBMP jurisdiction should be transferred to the BBMP. Further, the funds allocated for the capital and revenue costs for running these schools must be transferred to the BBMP. Additionally, the BBMP should explore a participative model of administering schools so that parents and neighbourhood communities emerge as key stakeholders in the administration of the municipal school system in Bangalore, analogous to the School Development and Monitoring Committees in operation in other parts of the State.
- 1.34 To promote public health, the MPC and BBMP must commission a large public health survey to establish baseline indicators on its status in the BMR. Also, the BBMP must evaluate the wide scope of public health activities it presently undertakes and eliminate all such activities which are better done by the State Government such as the running of referral hospitals. Instead, the BBMP must focus on preventive and promotive health strategies that have a significant public health impact. There is an urgent need for the BBMP to appraise the present approach to solid waste management which has become an area of serious and overarching

concern and it is recommended that the BBMP set up a separate wing to undertake this task with suitably qualified technical personnel. Further, regular medical doctors should not be diverted from mainstream medical / public health duties and made responsible for solid waste management activities.

- 1.35 Despite there being several governmental agencies active in the housing sector, there is no coherent policy and co-ordination between these various actors. Hence, the BBMP must be given overall power and responsibility to provide adequate housing to the urban poor and to upgrade slums as provided under the XII Schedule to the Constitution. Land Use planning and developmental permissions should be aligned to meet these objectives. To facilitate the same, the BBMP must be given the responsibility and the resources to carry out slum redevelopment activities. Any functions performed by the Karnataka Slum Clearance Board in the BMR must be under the overall direction of the BBMP and the MPC.
- 1.36 The Committee recommends the setting up of an “information infrastructure” unit as a permanent feature of the planning functions of the BMRDA as well as the BBMP. There is a compelling need to ‘connect’ with people on an ongoing basis, especially to explain the complexity of various issues that relate to urban governance. This unit may use effective visual communication to illustrate various development initiatives undertaken in the region.
- 1.37 The Committee also recommends the widening and deepening of e-governance models within BBMP for better and more efficient service delivery. Given the vast spread of the city and numerous activities, the BBMP would do well to establish a Citizens Service Portal which would

be responsive and interactive and effectively address the needs of the citizens.

- 1.38 The Committee feels that the ULBs should become more responsive to people's basic needs and be more sensitive to public opinion. All ULBs and other government institutions operating in the BMR should have a system that facilitates voluntary disclosure of information relating to their policies and programmes from time to time. Further, these institutions should establish a public interface to communicate the relevant information and obtain a feed back about their own performance. The Committee recommends that such interface should be promoted through institutional mechanisms rather than *ad hoc* arrangements which may be perceived as being non – representative or exclusive in nature.

Road Map for Legislation (Chapter – 10)

- 1.39 The legislative sanction for the creation of the MPC should be brought forth in the BMRDA Act. The BMRDA Act should be re-named as “Bangalore Metropolitan Area Planning Act” (BMAP Act) and the nomenclature “BMR” in the definition section should be replaced by BMA. In view of the extended mandate proposed in this Report for the MPC, it should be designated as the Bangalore Metropolitan Area Planning Council (BMAPC) (Metropolitan Council) and its creation, size and composition should be spelled out in a separate chapter in the proposed BMAP Act, replacing the sections dealing with the composition and membership of the BMRDA.
- 1.40 The BMAP Act may provide for a separate executive arm of the BMAPC to be called the Bangalore Metropolitan Planning Board (BMPB), which will be headed by the Metropolitan Commissioner and will have technical,

administrative and financial divisions which will be manned by suitable personnel with requisite qualifications and experience. The BMPB will be the Secretariat of the BMPC. It will also have branch offices in the BMA for carrying out the enforcement functions.

- 1.41 The BDA Act should be renamed as the Bangalore Metropolitan Development Authority Act (BMDA Act). Section 2(c) of the BDA Act defining its jurisdiction as the BMA should be amended to provide for the jurisdiction of the BMDA to include the entire revised metropolitan area in the BMAP Act. Therefore, provisions relating to regulatory control (Section 67) should to be deleted from the BDA Act and correspondingly introduced in a proper manner in the new BMAP Act.
- 1.42 There should be a separate new legislation for the BBMP (to be called the Greater Bangalore Municipal Corporation Act) so as to remove it from the purview of the KMC Act. This is necessary to accommodate the far reaching reforms proposed by the Committee and to provide for the vastly expanded jurisdiction of the new BBMP.
- 1.43 Further, necessary changes should be carried out in the BWSSB Act in accordance with the jurisdiction and responsibilities set out in Chapter VII of the Report. It could be renamed as the Bangalore Metropolitan Water and Sewerage Board (BMWSB) Act.
- 1.44 Several other state legislations i.e. KTCP Act, KLR Act, Karnataka Land Reforms Act, etc., must be amended to accommodate the streamlined planning hierarchy and development mandates proposed by this Report.
- 1.45 In view of the substantive and simultaneous legislative changes involved, these amendments must be drafted in a consistent and careful manner, so that they can be taken forward for approval by the Legislature in one go.

As the objectives of the proposed amendments have been clearly laid down in the present report, the drafting of necessary amendments could be done in a period of three months, by entrusting the task to a suitable agency.

CHAPTER – 2

Introduction

CHAPTER - 2

Introduction

Between the longing for a Bangalore of a bygone era and the futuristic visions of the Singapore-in-the-making through a unique “Private-public partnership” lies a complex history of a city that has been marked by national, regional, and global forces and interests in its passage to a metropolitan status. In the five decades since Independence, a small and unremarkable town was transformed into an internationally known metropolis... No single metaphor adequately describes the new metropolitan experience, for Bangalore is not quite the industrial district, the technopole, the international city, nor the Silicon Valley of Asia that have been used to describe processes elsewhere... No other contemporary Indian city allows us to track the passage from small town to metropolitan status within a few decades as well as does Bangalore.

Janaki Nair. *The Promise of the Metropolis – Bangalore’s Twentieth Century* (Oxford University Press 2005),

- 2.1 The phenomenal economic and demographic growth of Bangalore during the last two decades has resulted in a city with many sobriquets such as, the IT Capital of India, Global Technological Hub and Science City to name a few. However, this rapid growth and urbanization of Bangalore and its surrounding areas has thrown up several challenges: the inadequacy of physical and transport infrastructure, erratic delivery of municipal and social services and the capacity constraints of present institutional arrangements for governance of the city. Realising that these issues are likely to impinge upon the future growth and development of the city and its environs, the Government of Karnataka felt the need for a reform strategy that was predicated upon a seamless, effective and well coordinated governance structure for both the BMR and the recently created BBMP.
- 2.2 The first step in the reform process would be to identify the principles of institutional design which should guide the creation of new institutions

for Bangalore's governance. The 74th CCA sets out the structure of the third tier of urban and metropolitan government and establishes the principles of decentralization and democratic accountability as the foundations for city and regional government. The Government, after recognizing that these are matters of great significance for the orderly development of Bangalore City and the Metropolitan Region has taken the view that a new comprehensive legislation is essential to deal with the development and regulation of the BMR. Pursuant to this objective, it has resolved to constitute a Committee of Experts (hereafter referred to as 'Committee') to submit recommendations to Government on the terms of reference discussed below. (Order No. UDD 86 MLR 2006 (4) Bangalore, Dated 02.11.2006) (Annexure 1)

- 2.3 The principal mandate of this Committee relates to the administrative structures and legal framework of governance in the BMR and the BBMP, which are to be designed in conformity with the constitutional requirements of the 74th CCA. In this process, the Committee is required to appraise the functioning of BBMP and other parastatals engaged in the governance and development of Bangalore such as the BDA, BMRDA and BWSSB among others, and to spell out the appropriate coordination mechanisms and accountability of such organizations to the ULB. The Committee is vested with the responsibility of designing the constitutionally mandated inter – governmental machinery, namely, the MPC for the governance of the BMR. The second mandate before the Committee is to examine and suggest measures necessary to ensure effective governance within the newly expanded BBMP. It is to be guided by the recommendations of the Committee on Urban Management of Bangalore (1997) (CUMB) to the extent that they are relevant and such recommendations may be adopted with or without modifications.

Approach and Methodology of the Committee

2.4 Bangalore is regarded as a significant example of a city built on the foundations of a knowledge economy. However, concerns over inadequate infrastructure and a weak governance framework have resulted in widespread scepticism over the city's future. If Bangalore's international economic status has to be sustained, the government has to understand the new aspirations that the citizens of the city, the country and the world have from Bangalore as it is no longer an idyllic garden city limited within well defined city boundaries. Investment from various sources and in various activities has expanded the boundaries of the city manifold. The city has rapidly morphed into a bustling metropolis and in recent years this growth has been spreading with astonishing rapidity into the area identified as the metropolitan region. The recent expansion of the city boundaries transforming it into BBMP is only a limited first step towards streamlining of infrastructure and services. Rehabilitating and renovating what has been heavily strained in the core city is yet another major task; but the larger challenge lies in piloting the orderly and sustainable development of the metropolitan region. Understanding this challenge requires innovative skills, long term vision and more importantly, sustained and tireless efforts in designing and developing organizational structures which can promote a pattern of inclusive and orderly growth, in the ensuing decades.

2.5 The Committee therefore recognizes that *a paradigm policy shift from the previous focus on city level urban local government to a metropolitan level institution was a necessary first step for enabling better strategic planning and co-ordination*, to address Bangalore's multiple challenges. As the primary and secondary research into metropolitan level

government in India is severely under-developed, the Committee had to review the constitutional framework, state laws and existing practices in states such as West Bengal and Maharashtra as well as initiatives in other parts of the world in order to design an appropriate institutional framework for Bangalore.

- 2.6 The Committee reviewed the structural design of the **BBMP** in its vastly expanded territorial jurisdiction and has suggested measures that would improve the efficiency and responsiveness of the city government. To this end, the Committee assessed the best practices in municipal government in different parts of the world to identify success stories and develop a template that best suits our local conditions. Finally, the Committee carried out a summary appraisal of the role and responsibilities of key parastatals involved in the development and regulation of Bangalore, (primarily from an urban development perspective) and has suggested ways in which these could be redefined.
- 2.7 The Committee also undertook a series of public consultations with several stakeholders including NGOs, MPs, MLAs and MLCs, representatives of various trade and industry groups and eminent persons. These consultations allowed the Committee to sense the overwhelming concern that various stakeholders feel about the current state of Bangalore's governance and the appropriate trajectory for its future development. These stakeholder consultations were intense participatory exercises where the Committee members gained valuable insights and perspectives on the solutions for Bangalore's problems.
- 2.8 Further, the Committee met with several senior officials of a host of government departments, the chief executives and senior functionaries of BBMP and parastatal organizations involved in Bangalore's infrastructure

development as also the heads of statutory bodies providing a range of urban services in Bangalore. This was necessary to gain a first hand account of the environment in which these organizations operate. These officials co-operated with the Committee by providing a large amount of relevant information and sharing their candid opinions on the real conditions in which governance is carried out. Their intimate knowledge of the working conditions and institutional politics of government allowed the Committee to understand and assess which proposals were likely to succeed and the necessary elements of a successful reform effort. In addition, the Committee secured the assistance of financial and legal consultants in order to conduct detailed analysis of various issues relevant for the report.

- 2.9 In the ensuing chapters, the Committee focuses on the key initiatives for the successful reform of Bangalore's governance. It impossible for the Committee to deal with all subjects impinging upon urban governance in an exhaustive manner. Hence, there are areas in this report where the recommendations of the Committee are summary in nature and will need further detailing as and when they are taken up for implementation. In the last Chapter we set out a road map for legislative reform which included recommendations to amend various State legislations such as the KTCP Act, the KLR Act, the BDA Act, and the BMRDA Act among others. Moreover, the Committee endorses the need to bring forth a new legislation with respect to the BBMP.

CHAPTER – 3

Urban Governance in India

C H A P T E R - 3

Urban Governance in India

- 3.1 Urbanization in Indiaⁱ was the main driving force behind the rapid economic growth experienced in the country during the 1990s. The estimates of contribution by urban areas to the gross domestic product (GDP) are in the order of 50 to 60 percent, well above the level of urbanization itself (28 percent in 2002). India's overall demographic figures of rural-urban divide, however, do not reveal the fact that a sizeable part of the country has reached levels of urbanization that are much higher than the national average. Economic growth is thus highly dependent on the fortunes of urban areas and their ability to attract investment and increase productivity. However, rapid urbanization and under-investment in urban infrastructure have resulted in serious environmental and health problems in India's cities. Urban households across India, particularly the poor and disenfranchised, continue to have limited access to potable water, sanitation, drainage, and solid waste disposal facilities.
- 3.2 Despite the contribution to economic growth by the urban sector, successive five-year plans (FYPs) of the Government of India (GoI) stressed rural development in general and neglected balanced urban development. It was not until the 8th FYP (FY 1993-1997) that the role and importance of the urban sector was explicitly recognized. Since then, the context of urban development has changed significantly in India, governed by the country's focus on economic liberalization, financial sector reform, and a new emphasis on decentralization.
- 3.3 ULBs across the country are vested with a long list of functions delegated to them by the State Governments under the municipal legislation to

ensure urban basic service delivery. These functions broadly relate to public health, welfare, regulatory functions, public safety, public works, and development activitiesⁱⁱ. Good governance of ULBs is a function of the quality of urban basic service delivery, prevalence of prudent financial management practices and ULBs ability to access infrastructure finance, and also the ability to evolve institutional arrangements / structures to ensure the financial and environmental sustainability of urban basic services.

- 3.4 Municipal bodies of the country are facing a peculiar situation where the demand for services has been rising due to urbanization and urban growth, but on the supply side, the local resource base has been constantly declining. Ineffective local governance, inefficient management practices, poor planning process, lack of periodical revision of municipal tax rates/user charges, poor information system and record management are some of the basic weaknesses in the present municipal administration system. Many municipalities in India, particularly those belonging to small and medium size cities are poorly staffed, the staff responsibilities are unclear and often fragmented, and their capabilities and motivation to deal with the increasing complex urban needs are extremely low. The result is that the resources at their command, which are scarce to begin with, are not put to efficient use and are, in a sense wasted.
- 3.5 Notwithstanding urban India's problems, new opportunities have emerged. The passage of the 74th CCA provided momentum to urban sector reforms in the country. The 74th CAA intended to create a democratic governance structure, with local responsibilities being assumed and managed at the local-level, to address the relationship between the State Governments and municipal governments and lay the

foundation for a new approach to urban management and governance regarding improved municipal service delivery. Through the 74th CAA for the first time in the history of urban governance, the municipal bodies were provided the Constitutional Status of the third tier of government. With the increase in responsibilities as a result of the devolution of eighteen functionsⁱⁱⁱ through the 12th Schedule of the 74th CAA, empowerment of the ULBs became inevitable. States have also adopted functions based on their individual merit and each state assigns an “obligatory” or “discretionary” category accordingly.^{iv} The 74th CAA, assumes very special significance as it brought about some principal changes in the urban fabric of India. It mandated that municipalities would have a life for five years and would normally not be superseded; the Act also provided for an independent State Election Commission for the superintendence and control of municipal elections.^v

3.6 The Ministry of Urban Development (MoUD) Government of India, and various states have undertaken key initiatives facilitating urban infrastructure development and urban/municipal service management. The following summarizes the initiatives sectorally:

- a. **Municipal Accounting.** The World Bank aided Tamil Nadu Urban Development Project (TNUDP) assisted ULBs of the state to transit to a double-entry accounting system. The initiative covered 100 ULBs and was spread over a period of two years. In continuation with other accounting reforms in the country, the Comptroller & Auditor General (CAG) of India constituted a Task Force to study the reforms and draft guidelines for municipal accounting, which led to the development of the National Municipal Accounting Manual (NMAM) prescribing the budget and accounting formats

for ULBs with appropriate codification and classification of budget and account headings, thereby facilitating improved accounting systems in ULBs.

- b. **Enterprise Resource Planning.** Bangalore City Corporation (BCC) evolved an enterprise resource plan (ERP) from a municipal accounting process – it instituted the Fund Based Accounting System (FBAS) – before it went public with its FY04 Q1 results.^{vi} Similar path breaking efforts of improved management information system (MIS) is evident in the ULBs of Hyderabad, Vishakapatnam, Vijayawada, Nagpur, etc. ULBs now recognize the need to capitalize on limited quality-human capital and manage own resources through a municipal management information system.
- c. **Innovative Financing Mechanisms.** Large municipal corporations (e.g. Ahmedabad, Hyderabad and Nashik) continue to access domestic capital markets through municipal bonds based on their commendable fiscal status. Through the “pooled finance framework”, small and medium sized ULBs have finally discovered an avenue to access the capital markets through a joint effort – the Tamil Nadu Water & Sanitation Pooled Fund for 14 ULBs accessed the market to borrow Rs. 300 million. Similarly, USAID also provided credit guarantee to the infrastructure bonds raised by the Karnataka Water & Sanitation Pooled Fund to finance the Rs. 3000 million Greater Bangalore Water and Sanitation Project (GBWASP). The GoI has also created the Pooled Finance Development Fund (PFDF), which is expected to support such initiatives in future.
- d. **Legislative Framework.** The introduction of the Model Municipal Legislation (MML) by GoI provides guidelines to frame

new/amend old legislation. To help improve environmental sanitation in ULBs, the MoEF issued a notification regarding solid waste management, detailed in the Municipal Solid Waste (Management and Handling) Rules, 2000).

- e. **Private Sector Participation.** Almost eight years after it was announced, work commenced on the Tirrupur water supply project, which was based on a Build-Operate-Transfer (BOT) concept – while the target beneficiaries were predominantly industrial units, the Tirrupur Municipality would benefit partially from the project. On the other hand, the Alandur Sewerage Project – a combination of a Build-Operate-Transfer (BOT) and item rate contract – was commissioned as scheduled (within a period of four years from award). While ambitious management contracts (e.g. Bangalore and Sangli) were unsuccessful in commencing due to various contractual reasons, the concept of facilitating operator understanding of existing systems and preparing long-term “corporate plans” for system rehabilitation was well appreciated. The Navi Mumbai contracts adopted a “performance monitoring” role by the ULB while retaining the “service delivery” orientation of operators. Similarly, the results emerging from the public-private partnership adopted under the Karnataka Urban Water Sector Improvement Project (KUWASIP) has stressed on output based aids (OBAs) to oversee service delivery. ULBs are expected to adopt an incremental approach to private sector participation with a focus on performance monitoring.^{vii}

- 3.7 In addition to the aforesaid initiatives, recognizing the critical importance of rapid urban development and the growing contribution of the urban

sector to India's GDP, the GoI – through the MoUD – launched the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in December 2005. JNNURM's objective is to address urban infrastructure and governance, and provision of basic services for the urban poor in Indian cities. JNNURM is a reform-driven and fast track project, planned at developing identified cities by focusing on efficiency in urban services delivery, community participation and accountability of ULBs/Parastatals towards citizens. The proposed duration of the Mission is seven years (2005-12) and includes an outlay of approximately Rs. 1,000 billion, covering 63 important cities in the Country.

- 3.8 The JNNURM, which commenced in the 10th Five Year Plan, will continue to be the main vehicle for raising the level of infrastructure and utilities in the existing cities. The aim of the Mission will be to create economically productive, efficient, equitable and responsive cities and the focus is on (i) improving and augmenting the economic and social infrastructure of cities; (ii) ensuring basic services to the urban poor including security of tenure at affordable prices; (iii) initiating wide ranging urban sector reforms whose primary aim is to eliminate legal, institutional and financial constraints that have impeded investment in urban infrastructure and services; and (iv) strengthening municipal governments and their functioning in accordance with the provisions of the 74th CAA.
- 3.9 It is against this historical and policy background that the Committee undertakes its task of making its recommendations on urban governance reform for Bangalore.

ⁱ Based on the results of the 1991 and 2001 census, it is estimated that the urban population evolved from 210 million in 1992 to 290 million in 2002, i.e. the end of the 8th and 10th Five Year Plan period respectively. The share of the urban population represented slightly less than 25 percent of a total population of 850 million in 1992 and slightly more than 28 percent of a total population of 1,030 million in 2002. It is estimated that the urban population will reach 500 million or about 38

- percent of the total population of 1,300 million in 2017, i.e. the end of the 12th Plan period. According to the 2001 Census, 607 urban centres with a total population of 178 million were reported to have slums, and the total population of these slums was estimated at 41 million. Following historical trends, the slum population is expected to increase at an average growth rate of 3.5 percent during the next fifteen years to reach about 69 million in 2017.
- ii Public health includes water supply, sewerage and sanitation, eradication of communicable diseases etc.; welfare includes public facilities such as education, recreation, etc.; regulatory functions related to prescribing and enforcing building bye-laws, removal of encroachments on public land, registration of births and deaths, etc.; public safety includes fire protection, street lighting, etc.; public works measures such as construction and maintenance of inner city roads, etc. and development functions related to town planning and development of commercial markets.
 - iii Besides the traditional core functions of municipalities, it also includes development functions like planning for economic development and social justice, urban poverty alleviation programs and promotion of cultural, educational and aesthetic aspects. Whereas Bihar, Gujarat, Himachal Pradesh, Haryana, Manipur, Punjab and Rajasthan have included all the functions as enlisted in the Twelfth Schedule in their amended state municipal laws, Andhra Pradesh has not made any changes in the existing list of municipal functions. Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal states have amended their municipal laws and added some of the additional functions in the list of municipal functions as suggested in the twelfth schedule.
 - iv While functions like planning for the social and economic development, urban forestry and protection of the environment and promotion of ecological aspects are obligatory functions for the municipalities of Maharashtra, in Karnataka these are discretionary functions.
 - v Despite constituting Election Commissions in the states, very few states held elections within prescribed time limit. Tamil Nadu held the election in 1996 only. In all the states under consideration, except Karnataka, Maharashtra and Tamil Nadu, there were two rounds of municipal elections.
 - vi The ERP is an integrated system that tracks and controls all aspects of BCC's financial, logistics and human resource operations.
 - vii Some major factors that one can notice regarding private participation in financing urban services are:
 - (i) these initiatives have largely remained confined to the maintenance of urban basic services through service contract or management contract;
 - (ii) these initiatives have to a large extent remained confined to the developed southern and western states of Maharashtra, Gujarat, Karnataka and Tamilnadu; and
 - (iii) involvement of private investments for financing capital investment in urban services like water supply and sewerage has remained limited.

CHAPTER – 4

Metropolitan Governance

CHAPTER - 4

Metropolitan Governance

An important outcome of the process of urban growth in developing countries is the emergence of large cities or the metropolitization of urban areas. While contributing significantly to economic growth, the metropolitan cities in India are faced with enormous challenges ranging from the provision of basic services and dealing with urban poverty to developing infrastructure of global standards. Bangalore having found a place on the map of global technological hubs continues to struggle with the problem of managing urban growth.

- 4.1 The introduction of a **metropolitan perspective** to discussions of urban governance in Bangalore is the central objective of this Committee's Report. It is no longer sufficient for debates about Bangalore's governance to be viewed as merely a larger version of debates about other municipal corporations in Karnataka or India. The metropolitan character of Bangalore is not only an economic and cultural phenomenon, but also requires a political and governmental approach that accommodates and advances these metropolitan characteristics. To appreciate this point, one needs to look at the manner in which Bangalore has evolved over the last five decades from a small town to a cosmopolitan global economic entity and beyond. (The brief details of this evolutionary passage and an account of Bangalore's existing governance framework including maps are at **Annexure 2**). Hence, the tasks of governance reform must appreciate this fundamental shift in the scale and significance of the city.
- 4.2 This need for legitimate political institutions to plan and co-ordinate at a metropolitan level in India has been on the policy agenda for almost two decades. We have recognized that metropolitan centres are growth engines of the economy and that unless we develop legitimate structures of governance to allocate resources at the metropolitan level, we are unlikely to be able to sustain these growth impulses. As the metropolitan

level is sandwiched between the State Government on the one side and the third tier of government – comprising urban and rural local bodies – on the other, this level of government needs to be established with great care and attention. As the BMA is the first, and at present only metropolitan area in the State of Karnataka, the metropolitan level institution created here is likely to be replicated state wide.

- 4.3 It is necessary at this stage to digress a little into the classification of the world's metropolitan regions. Usually, the classification is based on demographic and economic characteristics. Urban geographers have attempted classifications based on the pattern of growth. As stated earlier, there are relatively few assessments of metropolitan regions based on their governance structures. Such an assessment is critical for the purposes of this report. Examination of worldwide experience suggests that governance arrangements are a mix and match of different types of structures and systems. Any categorisation in the process should not be viewed as mutually exclusive or exhaustive. A partial categorisation based on Webster, Cai, Maneepong (2006) is attempted below:
- 4.4 First, we consider **Unicities** where one single government has jurisdiction over most of the metropolitan region. The earlier versions of the Greater London Council, Bangkok Metropolitan Area, Toronto and more recently, the city provinces in China such as Shanghai, Beijing or Tianjin, may be considered as appropriate examples.
- 4.5 The second category is a **Two-Tier arrangement** with a metropolitan government for the region but another tier for cities, districts or boroughs. The present London Metropolitan Area, Seoul, Greater Toronto, Istanbul, or some European metropolitan regions like Zurich may be considered as falling in this category.

- 4.6 In the third category, multiple city and municipal jurisdictions are maintained but for some specific services and tasks, **Special Metropolitan Wide Districts** are created. These Special Districts are a much favoured approach in the United States. In the Chicago Metropolitan region, for example, there are six counties, 109 townships and 242 municipalities but several hundred special districts with metropolitan wide jurisdiction including one for mosquito abatement and another for mental health. Highways, transit, water supply and environmental controls are within the domains of such special districts. Los Angeles, San Francisco Bay Area and the New York Metropolitan Region are some other examples where several municipal jurisdictions co-exist with Special Districts.
- 4.7 A new and emerging category is that of **City Regions** where a limited amount of consolidation is attempted at the municipal level but either the province or special bodies created take the responsibility for stronger integration of strategies, coordinated spatial development and delivery of metropolitan level services. In this arrangement, existing municipalities are expanded to some extent but maintained to perform many of the municipal tasks. The Gauteng City Region in which Johannesburg and Pretoria are located is an example.
- 4.8 A broad survey of current research (Webster, Cai and Manepong 2006) on metropolitan and megapolitan governance systems around the world teaches us several lessons. First, it is important that metropolitan governance structures stay ahead of the expansion of built up areas. This is necessary as the majority of physical and demographic growth occurs on the periphery of metropolitan areas, often outside the purview of metropolitan governance. While the expansion of the territorial boundaries of BBMP is a partial response to this problem, we need to look

beyond Bangalore City and develop governance structures for the wider metropolitan region.

- 4.9 Secondly, metropolitan systems are much more networked with the outside world than smaller cities. While this is generally a positive attribute, it does make metropolitan cities vulnerable to external risks. Hence, metropolitan governance cannot be solely internally focussed and must respond to major shifts in economic and political practice at both the national and the global level. **The need for a metropolitan governance structure that builds on and leverages Bangalore’s cosmopolitan resources is essential to develop a global vision of the City.**
- 4.10 Thirdly, as metropolitan governance usually results in large vertically integrated governmental institutions, it is essential that the governance system allocates functional mandates efficiently. Responding sensitively and innovatively to this tension between centralisation of metropolitan government and decentralisation of governance functions is essential for the success of metropolitan government. The creation of the BBMP has resulted in the municipal corporation with one of the largest territorial jurisdictions in the country. The creation of this massive political and administrative entity must be accompanied by effective decentralization at the Zone and Ward levels.
- 4.11 International experience suggests that one model of government is not appropriate for all urban settings. Even within the same country or the same State, metropolitan cities may require a distinct institutional mechanism and governance processes which may be at great variance with other existing models. In the effort to develop a distinctive model of government for the BMR, we should take note of the lessons gained from previous reform initiatives in Bangalore’s governance.

- 4.12 Finally, we must acknowledge that civil society plays a very important role in metropolitan governance. Strategies of planning, development, and re-development of city spaces often draw on professional, cultural, social and public-interest groups. Bangalore has a critical mass of NGOs and CBOs which focus on civic issues and local government. Further, there is an active town planning and professional architectural services community which is keen to contribute to Bangalore's governance. The capacity of the metropolitan level institutions to tap into these varied energies is crucial to the success of the reform effort.

The Metropolitan Planning Committee

Confusion about the purpose and role of the MPC, lack of political interest and most importantly, the fear of the development authorities losing power once MPCs are set up appear to be the main reasons for the failure to set them up..... The failure to recognise the MPC as a high level, democratically set up body, which will provide the constitutional mandate to the whole exercise of metropolitan development planning has resulted in a impoverished statutory frame work for this body.

(K.C.Sivaramakrishnan: Growth in Urban India, 2006)

- 4.13 Article 243ZE of the Constitution of India makes it mandatory for every State to constitute a MPC to prepare a draft Development Plan for the Metropolitan Area. The Metropolitan Area is defined as an area having a population of 10,00,000 or more. (Article 243P(c)). This Metropolitan Area is to be publicly notified by the Governor of a State.
- 4.14 Section 503B of the Municipal Corporations Act, 1976 translates these constitutional requirements into the domestic law of Karnataka. The section provides that the State Government shall constitute a MPC for the BMA. It also provides that the BMA will be an area specified by the Governor to be a Metropolitan Area. Though the Karnataka Municipal

Corporations Act 1976 provides for the MPC, this part of the Act is yet to be notified and hence is not in force. While this may explain why the MPC for the BMA has not been constituted up to this date, it also allows us to propose an altogether new format for metropolitan level governance in Karnataka. To come up with a framework for metropolitan governance for Bangalore there are three central issues that deserve our attention.

Territorial Jurisdiction

- 4.15 The first issue is the extent of territory over which the MPC should have jurisdiction. The constitutional and statutory provisions provide that the State Government may define the extent of the BMA by executive notification.
- 4.16 The Committee considered various options and decided that it would be appropriate to *recommend the inclusion of the entire territorial jurisdiction of the BMRDA, currently comprising the three revenue districts of Bangalore Urban, Bangalore Rural, and the recently carved out district of Ramanagaram into the BMA.* The justification for this recommendation is set out below.
- 4.17 The scope and extent of the BMA is critical to the design of institutions of metropolitan governance. One of the principal problems in Bangalore's governance is the mismatch in territorial jurisdiction of the planning and regulatory institutions and the territory within which rapid commercial and residential development is presently taking place. This mismatch results in a perpetual time lag between land development and the arrival of regulatory and governance oversight. If this is to be overcome, the MPC must achieve the scale necessary to plan for the future growth of a contiguous area driven by the same growing energies. The development of

the new International Airport at Devanahalli, the location of large industrial clusters including up and coming SEZs have resulted in a spurt in growth in the northern periphery of Bangalore. BMRDA's new townships to be developed through the PPP route as satellite towns connected by the Satellite Towns Ring Road and the Peripheral Ring Road has generated the prospect of rapid growth in the entire BMR.

4.18 Further, according to the Constitution, a metropolitan area must include more than one urban local body which is a condition satisfied by the BMRDA area. Finally, the BMRDA has already brought out a Structural Plan and has begun the activity of planning at a metropolitan scale and this activity may be built upon and strengthened.

4.19 *The failure to set up an MPC is a continuing breach of the requirements of the 74th CAA 1993. Hence, the Committee recommends that the MPC be set up for Bangalore with no further delay. In order to allow for comprehensive planning for a contiguous region which faces similar growth pressures, the Committee recommends that the State Government may notify the area comprising BMR as the BMA under the relevant provisions of the Karnataka Municipal Corporations Act.*

Size and Composition of the MPC

4.20 The Constitution provides that the MPC should be elected from among the elected members of the Urban and Rural Local bodies in the metropolitan area. In the previous section, we have recommended that the BMRDA Area must be notified as the BMA for the purposes of the MPC. In this section, we will propose the appropriate size and composition of the MPC.

4.21 Presently, the KMC Act 1976 provides for an MPC which consists of 30 members. However, if the MPC is to cover the BMRDA area as is now

proposed, then the current membership of 30 people is clearly insufficient to provide adequate representation to the large number of urban and rural local bodies which are included in the BMR. The number of local government institutions which will constitute the Electoral College for such an MPC would be a total of 11 ULB's including the BBMP, 314 Gram Panchayats, 12 Taluk Panchayats, and 3 Zilla Panchayats. In order to give adequate representation to regional interests and the various elected local bodies, *we recommend that the MPC may have 63 members*, composed in the manner set out below.

- 4.22 The composition of the MPC is regulated by Article 243 of the Constitution which provides that “not less than two – thirds” of this number “shall be elected by and from amongst the elected members of the municipalities and Chairpersons of the Panchayats in the metropolitan area in proportion to the ratio” between their respective populations. The population break up based on 2001 Census taking into account the BBMP notification, is as follows:

	Population	%
Urban	62.74536 Lacs	74.5
Rural	21.31773 Lacs	25.5
Total	84.06129 Lacs	100

- 4.23 On the basis of the total membership being 63 and taking into account the constitutional stipulation as well as the population figures indicated above, *42 out of 63 members will be elected while the remaining 21 may be nominated*. Among the 42 members to be elected, as the urban population is 62.74 lakhs and rural population is 21.31 lakhs (73% and 27% approx.), *31 members will be elected from the ULB and 11 will be elected from rural local bodies*.

- 4.24 Since the Constitution stipulates that all these members will have to be elected by and from amongst the elected members, it is necessary to formulate ‘electoral segments’ or ‘electoral colleges’ for organizing this election. *The Committee recommends that there will be 3 such electoral segments comprising of, (1) Corporators of BBMP, (2) Councillors of the other urban municipalities and (3) the Chairpersons of the 314 Gram Panchayats, 12 Taluk Panchayats and 3 Zilla Panchayats.* Out of the 31 members to be elected from ULBs, the number of seats that goes to the BBMP and those to the other ULBs may be based on the population ratio between the BBMP and other local bodies. Further, the Committee *recommends that since the MPC is a Committee envisaged as a part of the 74th amendment, the election to the same should be organized by the State Election Commission, Karnataka. The term of office of an elected member may be co-terminus with his holding of the elected office.*
- 4.25 We now consider the manner in which nominations are to be made to the MPC. The first matter for consideration is whether any provision should be made for the MLAs, MLCs and MPs. In the extensive discussions the Committee had with a cross section of the elected representatives, there was a strongly expressed desire that provision should be made for their representation. The Committee *recommends that out of the 21 seats for nominated members, 10 may be provided for MLAs, MLCs and MPs* in the following manner:

- 6 members from Karnataka Legislative Assembly to be nominated by the Speaker;
- 2 members of the Karnataka Legislative Council to be nominated by the Chairman; and
- 2 members of the Lok Sabha to be nominated by the Speaker of the Lok Sabha.

The duration of the office of this category of nominated members may be co terminus with their term of office and a period not exceeding 3 years.

4.26 Given the importance of the BMR in the economic development of Karnataka, it is crucial that the State Government has representation on the MPC. Further, when one considers that it is critical for the political heads of the State Government and the city government to act together to ensure effective metropolitan governance, it is essential that these offices are represented on the MPC. As Article 243E enables the State Government to legislate on the composition of the MPC, such legislation may go on to provide for the post of Chairperson and Vice-Chairperson. In order to facilitate the alignment of political momentum between the state and city government towards metropolitan governance, *the Committee recommends that the Chief Minister of Karnataka should be the Chairman of the MPC and that the Mayor of BBMP should be the Vice Chairman.*

4.27 The Committee strongly feels that the MPC should be an inclusive platform which can give its careful consideration to very important issues of Metropolitan-wide Planning and Development Strategies. For this purpose, the relevant stakeholders have to be represented. Trade and Industry have been the backbone of Bangalore's development in recent years. Additionally, Bangalore is also recognized as a leading centre of professional and other expertise. Taking all these aspects into account, *we recommend that 9 nominations be made from categories listed below:*

1. *A representative from the manufacturing industry;*
2. *A representative from the service industry including IT;*
3. *A representative from Trade and Commerce;*
4. *A representative from the Real Estate Industry;*
5. *An individual with recognized expertise in Environmental affairs;*
6. *An individual with expertise in education / health;*
7. *An individual of high professional recognition in Urban Planning including fields such as Architects and Town Planners;*
8. *An individual with Legal Expertise*
9. *The Metropolitan Commissioner, who will also be the Member-Secretary of the MPC, will be a person not below the rank of Principal Secretary.*

We further recommend that the individuals nominated by the State Government vide categories 1 to 4 be nominated by the appropriate recognized state or national associations and their tenure on the MPC may not exceed three years . Further members nominated vide category 6, 7 and 8 above shall have a term of three years.

4.28 The Committee has given careful consideration as to whether officials of the GoI and State Government as well as officials of various organizations like Railways, Civil Aviation, parastatals of the State Government among others should be formally inducted as members of the MPC. In view of the very large number of the departments and organizations who are involved in the governance of the BMR, it is not possible to accommodate all these officials into MPC. It is also not advisable or practicable to make a selection among them. All such officials need not be burdened with the responsibilities to attend all the meetings of the MPC. It is sufficient if such persons attend relevant meetings of the subject committees or the Executive Committee of the MPC when invited by the Member Secretary on behalf of the MPC.

4.29 We envisage the MPC to be a high level policy and strategy formulation body which provides the necessary political mandate and backing for its

decisions. The Constitution stipulates that the bulk of its members should be elected by and from amongst the members of the Municipalities and Chairpersons of the Panchayats to preserve this political character. Hence, it is critical that this character is maintained and not diluted by including the large number of officials which would make the MPC take on a bureaucratic character.

- 4.30 *The Committee recommends that the entire MPC may meet atleast twice a year while a core Executive Committee and various subject committees (for areas such as water and sanitation, environment, transport and social sector issues) may carry out the work of the MPC through the year. Relevant governmental organizations may be drafted into the committee system of the MPC so that metropolitan governance may be coherent. The BMRDA Commissioner may be the Member Secretary of the MPC as this Report proposes that the BMRDA shall be the permanent secretariat to the MPC.*

Functions of the Metropolitan Planning Committee

- 4.31 Clause 2(d) of Article 243ZE provides that the Legislature of a State may, by law, provide for ‘the functions relating to planning and *coordination* for the Metropolitan area which may be assigned’ to the MPC. *Hence, the MPC should be invested with both planning and co-ordinating functions. To be an effective co-ordinator, the MPC should be vested with the necessary executive powers by law and regulation to perform this role.* Further, clause 3 of Article 243ZE provides that the MPC shall in ‘preparing the draft development plan... have *regard* to’ the plans of the Municipalities and the Village Panchayats in the region. One of the objectives of this plan is to develop a ‘co-ordinated spatial planning of the area’. Hence, the MPC is not to be considered merely as a rubber stamping

authority which collates existing plans. The MPC must go beyond considering the plans submitted to it by the ULBs and the RLBs before proceeding to develop a comprehensive and coherent metropolitan – wide plan. To do this effectively, *the MPC should be given the statutory power to review and suggest changes and in certain cases overrule ULB and RLB plans on issues which have a regional significance.*

- 4.32 To carry out this expanded mandate, the MPC should monitor and review the development plan and ensure its careful implementation. Article 243W(b) of the Constitution provides that the State Government may by law endow committees with such powers and authority so as to carry out the responsibilities under the Twelfth Schedule. As the MPC is one such committee under Article 243G, it must be vested with the necessary power to carry out this expanded mandate.
- 4.33 While the primary function of the MPC will be to put together several plans of the urban and rural local bodies within its jurisdiction and prepare a long term perspective plan for the BMR for a period of say 20-25 years, it is considered necessary and desirable to allocate a comprehensive set of functions and responsibilities so that it emerges as an effective institution of governance at the metropolitan level. By this, we will be also ensuring better integration and accountability of all the local bodies and parastatals within the BMR to the MPC.
- 4.34 In regard to the functions of the MPC, the Constitution itself vide Article 243E has provided elaborate stipulations which virtually serve as the Terms of Reference for the MPC. It is worthwhile to recapitulate the salient points of the provision which states that in preparing a MDP for the metropolitan area as a whole, the MPC will have regard to:

- the plans prepared by the municipalities or the panchayats in the metropolitan area;
- matters of common interest between the municipalities and the panchayats;
- coordinated spatial planning of the area;
- sharing of water and other physical and natural resources;
- integrated development of infrastructure;
- environmental conservation.

4.35 It will thus be seen that the Constitution has clearly accorded priority to these functions. Further more, the Constitution also requires the MPC in formulating the plans and strategies for the metropolitan region development to take into account the objectives and priorities set by the GoI and State Government including the nature of investments likely to be made by Central and State agencies and other available resources, finances or otherwise. In view of the significance and complexity of the planning functions of the MPC we have devoted a separate chapter, which follows, to discuss planning issues and make specific recommendations.

Administration:

4.36 Coming to the administrative structure of the MPC, *the Committee recommends that the BMRDA should be the “technical secretariat” for the MPC.* To make sure that this very important role is not diverted, the BMRDA should strengthen its original mandate of strategic planning.

4.37 Though the MPC may meet twice a year and make its own rules and procedures of functioning, it should be serviced by a permanent secretariat – a role which could possibly be played by a restructured BMRDA. *Hence, we reiterate that the BMRDA’s role as a metropolitan level regulator and planner must be strengthened and that it should no longer be directly involved with project implementation. The relationship*

between the BMRDA and the MPC must be such that the BMRDA functions as the technical and administrative arm of the MPC, which will be the metropolitan level political institution. The MPC may have sectoral sub-committees on water and sanitation, environment, transport, rural-urban social sector issues in addition to constituting an Executive Board which will meet more frequently to review progress on all fronts and give its report on proposals to be examined and endorsed by the MPC.

4.38 Article 243ZF makes it obligatory on the State Government to harmonize existing State laws which are inconsistent with the constitutional provisions for the MPC and the urban local government. As eliminating inconsistencies between the State law and the constitutional provisions is obligatory, several state legislations will need to be amended to give the MPC sufficient power to function as a metropolitan level governance institution. These include among others, suitable amendments to the KMC Act 1976, the KTCP Act, the KLR Act etc.

4.39 Given the wide and comprehensive mandate of the MPC, the need for continuance of District Planning Committees (DPC) in the three revenue districts of the BMR may be reviewed. In our opinion these may not be necessary. *In this connection, the Committee has noted the creation of the new district of Ramanagaram in August, 2007 by bifurcating the southern part of the erstwhile Bangalore Rural District and also that the Bangalore Urban District includes Anekal TMC and some adjoining rural areas. The Committee feels that the Bangalore Urban District in order to reflect its urban character may be confined to the BBMP area and Anekal TMC and the rural local bodies be merged in Bangalore Rural or Ramanagaram district in an appropriate manner. This way, the Zilla Panchayats in the*

BMR can be reduced to two districts i.e. Bangalore Rural and Ramanagaram and the planning functions can be integrated to the MPC.

CHAPTER – 5

Planning for the Bangalore Metropolitan Region

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Planning for the Bangalore Metropolitan Region

A cursory look at the organization of planning for the city indicates that there is a total absence of an integrated planning machinery, inadequate emphasis on planning among the various bodies entrusted with the city's administration, and that the existing law on the subject is outmoded and needs to be changed

(CUMB Report 1997)

- 5.1 The unprincipled and chaotic distribution of planning functions among different institutions across different levels of Government has resulted in overlapping jurisdictions and the absence of a clear mandate. This Committee reiterates the need for a clear institutional architecture and distribution of planning functions. Further, *'urban agglomerations need a metropolitan-wide vision, planning, advocacy and action. Sources of water, disposal of waste, traffic, transport, drainage and abatement of air pollution are some examples where one city corporation or one municipality cannot achieve much in isolation.'* (KC Sivaramakrishnan Source 2006).

Constitutional and Statutory Framework

- 5.2 The Constitution envisages significant planning and regulatory functions at the Urban Local Body level. These are set out in three entries of the 12th Schedule read with Article 243W of the Constitution to include:

- (1) Urban Planning including Town Planning;
- (2) Regulation of Land Use and Construction of Buildings; and
- (3) Planning for Economic and Social Development.

At the MPC level, the Constitution prescribes the development of a **'draft development plan'** which:

- (1) Requires that due attention be paid to all urban local body plans;
- (2) Covers all matters of common interest to municipalities and the Panchayats including the co-ordinated spatial planning;
- (3) Should take into consideration investment into the metropolitan region;
- (4) Facilitate integrated development of infrastructure and environmental conservation;

5.3 List III of the 7th Schedule to the Constitution confers on the Union and State governments the overarching power to do ‘economic and social planning’ in entry 20 of the List. Further, several entries in List I and II of the 7th Schedule to the Constitution which regulate other areas of social and economic activity have been construed to confer on the respective governments, the power to plan for this area of activity.

Coordinated Spatial Planning

5.4 Karnataka is one of the States which, over a period of years, has promulgated several laws relating to Spatial Planning. **KTCP Act** is one of the earliest laws on the subject in the country, post independence. One of the key provisions of the Act relates to the preparation of the Master Plan which is described as *“a series of maps and documents indicating the manner in which the development and improvement of the entire planning area within the jurisdiction of the Planning Authority are to be carried out and regulated”*.

5.5 Accordingly, the BDA set up under BDA Act is assigned the task of preparing the Master Plan for the Local Planning Area (LPA) and enforcing the same. The LPA or metropolitan area extends beyond the BBMP to an extent of 1307 sq. kms, inclusive of 67 sq. kms of Bangalore Mysore Infrastructure Corridor Planning Authority (BMICPA). In

addition, several Local Planning Authorities (LPA's) have also been set up for parts of the Region. Straddling across all these is the BMRDA which was set up for preparing the Structure Plan for the larger BMR. Recognizing the need for a review and co-ordinating mechanism, the KTCP Act was amended in 1986 to stipulate that the plans prepared by the competent authority for any LPA within the BMR had to be submitted to the State Government for approval through the BMRDA and in the process of giving that approval, the BMRDA shall exercise the powers and discharge the functions of the Director of Town Planning (Sec. 81-C of the KTCP Act).

- 5.6 Another significant aspect to note is that the power to regulate conversion of land from agriculture to non-agricultural use lies with the competent authority under section 95 of the **KLR Act**. The existence of this power has led to several distortions which have had adverse impact on the development of the land markets and resulted in unplanned growth in the urban and peri-urban areas in the BMR. The High Courts have commented upon the redundancy of this provision in areas covered by a Master Plan, but the amendments carried out in the KLR Act have continued the operation of the provisions relating to land conversion to non-agricultural use in LPAs.
- 5.7 It would be observed that the authorities designated as planning authorities are constituted under state government statutes and are unelected executive agencies carrying out local planning functions. However, it needs to be mentioned that the membership of the Boards of these authorities do provide for representatives from the urban local bodies within their jurisdiction. The dispersal of the land planning functions by conferring zoning power on unelected development authorities and land use power on the state government authorities

makes the local level planning framework envisaged by the constitutional provisions a non-starter as the power to regulate the supply of urban land and the manner of its development is conferred on the state government and not the local government.

5.8 More recently, a non-statutory contractual arrangement between the Union government and the urban local governments under the GOI sponsored JN-NURM has introduced a new requirement i.e. creation of a City Development Plan (CDP). A CDP is both a perspective and a vision for the future development of a city. It presents the current stage of the city's development – *where are we now?* , It also sets out the directions of change – *where do we want to go?* It then identifies the thrust areas – *what do we need to address on a priority basis?* It also suggests alternative routes, strategies, and interventions for bringing about the change – *what interventions do we make in order to attain the vision?* It provides a framework and vision within which projects need to be identified and implemented. Furthermore, It establishes a logical and consistent framework for evaluation of investment decisions a city development plan must include. Further, the urban reforms programme under the JNNURM mandates that all urban planning functions should be conferred on the elected ULB.

5.9 This preliminary survey of the constitutional and statutory distribution of planning functions makes it clear that several levels of government are meant to share the planning function over the same subject matter. The Committee feels that the present set up for preparation, approval and implementation of the spatial planning in the metropolitan region is a bewildering area with overlapping and conflicting jurisdictions. The 74th CAA with its provision for creation of the MPC provides a clear opportunity to rationalize such a system.

5.10 To develop a clear planning framework, we will need to map the control to be exercised on specific areas of planning on the appropriate level of government. To arrive at this, we need to first appraise the current status (as on 1-1-08) of spatial – planning outputs in the BMR which are as follows:

- a) The Master Plan prepared by the BDA for the Bangalore LPA comprising 1307 sq. kms (inclusive of 67 sq. kms of BMICPA area).
- b) The Master Plans prepared for other LPAs within the BMR the details of which are as follows:
 1. Bangalore International Airport Area Planning Authority (BIAPA) has a provisional Master Plan covering an area of 985 sq kms;
 2. Interim Master Plans are also published for
 - i. Magadi - 501.52 sq. km
 - ii. Nelamangala - 735.00 sq. km
 - iii. Anekal - 403.00 sq. km
 - iv. Hosakote - 535.00 sq. km
 - v. Kanakapura - 412.00 sq. km
- c) There is yet another LPA namely the BMICPA whose Master plan traverses the jurisdiction of the BMR to the extent of 404 sq kms;
- d) Finally there is the Structure Plan of the BMRDA which covers the entire BMR comprising over 8000 sq kms.

[There is yet another LPA viz., Ramanagaram Chennapatana Urban Development Authority (RCUDA) comprising an area of approximately 63.06 sq kms but no Master Plan has been prepared for this area. Current proposal of BMRDA is to prepare an interim Master Plan for the region titled APZ – 1 comprising (a) Bidadi hobli, (b) Ramangaram Taluk, (c) Channapatna Taluk and area covered by RCUDA]

5.11 The range and variety of plans developed by different levels of government on the same subject matter within the BMR has resulted in inconsistent planning and wide resource gaps. Presently, in Bangalore there is no MPC that plays a co-ordination role for synergising all these planning functions exercised and ensuring that there are no overlapping jurisdictions and conflicts. The role of BMRDA as a reviewing and co-ordinating authority has had at best limited success

for a variety of reasons. To enable the MPC to carry out a co-ordinating and integrating role, we need to develop and put in place a clear hierarchy of planning institutions and plans where the **MDP** under the MPC should co-ordinate and override all other plans developed by other state functionaries and local bodies in the metropolitan region. The Constitution provides that the MPC will have a reference jurisdiction whereby important decisions by other levels of government must get the MPC approval as well as a review and clarification power over local government plans. *This institutional hierarchy whereby the MPC is conferred with the overall decision making power in this area must be established in the statutes to be drafted for creation of the MPC in Karnataka. Related statutes such as the KTCP Act and the BMRDA Act should also be amended to accommodate the primacy of the MPC.*

- 5.12 In the 74th CAA vide Schedule XII, urban planning including town planning has been listed as a first item pertaining to municipalities. Now that the BBMP has been set up with an expanded jurisdiction, it will be necessary to assign the powers of Town Planning to the BBMP. This in itself will call for some modifications in the BDA and the KTCP Act. But, even after this, the BBMP's Town Planning powers will not extend to the whole of the metropolitan region. The other municipalities in the region will not have the need or competence to cover regional issues. It is, therefore, necessary that a mechanism is provided to review the Town Plans prepared by the BBMP and other municipalities in the region or other planning authorities to ensure that the regional priorities and strategies are taken into effect. Further more, the plan of any one jurisdiction will certainly create demand for various sectoral investments and utilization of water and other resources. Such plans

will also have an environmental impact. *It is, therefore, necessary that the MPC has a 'review function' in regard to the town plans prepared by the BBMP, other ULBs, and sectoral plans prepared by other statutory bodies. Such a power as mentioned before is already available with the BMRDA. The Committee recommends that this particular power should be suitably amplified and vested in the MPC instead of the BMRDA. The Committee further recommends that since the MPC is a representative body with a sovereign character, it is not necessary for the regionally coordinated spatial plan to be referred to the State Government for formal approval.*

Land Use:

- 5.13 Land use is an important and critical aspect of spatial planning. In many urban areas of the country, in particular, fast growing metropolitan areas, conversions of agricultural land for non-agricultural purposes has been rampant. It is the Revenue Authorities that have the responsibility to authorize such conversions. We have already pointed out in para 2.3 of this chapter, the anomalies caused by the dual jurisdiction of revenue and town planning authorities. Even though co-ordination mechanisms through referral of conversion cases exist, in actual practice, it is very difficult to monitor all cases of conversion and to what extent they can conform to the development plan. *The Committee, therefore, recommends that the power presently given to the Revenue Authorities in the BMR for authorizing conversion from agricultural land to non agricultural use should be vested in the Metropolitan Commissioner / Member Secretary, MPC.*

- 5.14 We will now examine how the land use planning function and enforcement may be distributed in a few key areas of metropolitan level planning.
- 5.15 The regulatory control of town and country planning, involving among others control over the use of land and development permissions is currently distributed between the State government, LPA's and the municipal government. Streamlining this area of legal regulation is critical to ensure the orderly development of the BMR.
- 5.16 The record of the BDA in enforcing the Master plan has not been altogether satisfactory for a number of reasons and not in the least due to BDA's disproportionate preoccupation in its role as a public developer. The CUMB 1997 which reviewed the performance of the BDA had underscored this aspect.
- 5.17 In rural areas the elected rural local bodies are given the power to approve development permission within their territorial jurisdiction and the limits of such powers were defined and clarified by various government circulars issued from time to time. As a result, a significant amount of peri-urban development around Bangalore city has taken place on the basis of such development permissions. However, the incapacity of the rural local body to provide infrastructural facilities to support such large scale development projects has resulted in haphazard and unsustainable development around Bangalore city. *Hence, in rural areas the powers of the RLBs to grant development permissions must be restricted to the Gram Thana areas after a survey is conducted by the BMRDA to identify such areas. Further, in these areas as well as other rural areas the powers of the RLBs to grant development permissions should be regulated and restricted by the*

BMRDA. Section 81-B of KTCP Act, 1961 should be amended to empower BMRDA with the planning function for the entire BMA (now region) and the BDA which currently enjoys the regulatory / planning functions should be divested of this role. Other relevant laws such as the Karnataka Land Reforms Act and the Karnataka Panchayat Raj Act should also be amended to restrict or eliminate the scope of development permissions granted by rural local bodies or revenue authorities within the BMR. The BMRDA should establish a network of local planning offices in the various regions of the BMR. If we ensure that the BMRDA acts under the overall plans of the MPC, orderly development of the area is possible.

- 5.18 The constitutional provisions and the JNNURM obligations require that all planning functions should be conferred on the urban local bodies. *Hence, the power to create and enforce the Master Plan, within their respective jurisdictions, under the KTCP Act should be conferred on the BBMP and the other urban local bodies in the BMR. For the areas in the BMR which are governed by rural local bodies, this power may be conferred on the BMRDA which will be accountable to the MPC. This would mean that no further LPA's are necessary in the BMR. Further, Sections 14, 15, 16, 17 and 18 of the KTCP Act should be amended to confer enforcement powers on the ULBs and the BMRDA.*
- 5.19 The KLR Act confers powers on the State Government to control the use to which land is put i.e. either agricultural or non-agricultural use. The State government has designated the Deputy Commissioner as the appropriate authority to decide on applications for conversion of land from agricultural use to non agricultural use. Further section 79A/B of the Karnataka Land Reforms Act restricts the transfer of agricultural land to non-agriculturists. These provisions taken together result in a

situation where the State government controls the supply of urban land and thus the local planning authorities may be working at cross purposes. The conflict between the statutes has been ironed out by recent High Court decisions which have held that the planning powers under the KTCP Act will supersede the authority of the State government under certain circumstances. (Kar HC 2006). There have also been proposals to amend the KLR Act to allow industrialists to buy land directly from agriculturists.

- 5.20 This Committee *recommends that for urban planning to be successful, the urban local government should be given overall control over the use of land within their territorial jurisdiction subject to the guidelines of the MPC and MDP*. In all other areas of the BMR, land use planning should be in the hands of the BMRDA. Streamlining the legal and institutional framework around land use planning by making the necessary amendments to the laws regulating land use is of utmost importance.
- 5.21 *For land use planning to be successful and effective it must be aligned with the power to control land use. To enable the MPC to determine the overall land use in the metropolitan region, S 95 of the KLR Act needs to be amended to confer this power on the metropolitan level government.* Though this may appear to be a radical proposition at first, on closer scrutiny we notice that such systems already exist elsewhere including the neighbouring state of Tamil Nadu.
- 5.22 There is yet another dimension of land use which relates to land acquisition for industrial uses by the KIADB. Typically, the statutory provisions enable the KIADB to declare the usage of land for industrial purposes by notification and thereafter the acquisition process is set in

motion. This, therefore, has the effect of reversing the designated land uses as per Master Plan or Structure Plan. Though these declarations are notified, and objections called for, in reality the scope for a fully informed debate and conflict resolution in the best public interest is limited; this results in a lot of litigation and attendant consequences. In recent years, the acquisition of land for Special Economic Zones (SEZs) has become yet another area of controversy. *The Committee recommends that land acquisition for industrial purposes within the BMR should be within the regulatory domain of the MPC and necessary amendments should be incorporated in the KIADB Act to actualize this.*

Social and Economic Planning

- 5.23 Social and Economic Planning includes varied dimensions of planning. Infrastructure, Education, Health and Social Welfare, all fall within the ambit of Social and Economic Planning. Insofar as infrastructure is concerned, the MPC's primary task would be to address matters of common concern between the municipalities and the Panchayat and create a framework for integrated development of infrastructure. Co-ordinated spatial planning which is a task that MPC is entrusted with, will have to address among others, sharing of water and other physical and natural resources. All this calls for a realignment of institutions dealing with sector specific responsibilities such as BWSSB (water supply), Bangalore Municipal Transport Corporation (BMTC) etc; *The Committee recommends that the BWSSB's jurisdiction should be enlarged to cover the whole metropolitan region.* The BWSSB should also prepare a water and waste water plan for the metropolitan region as a whole which will be reviewed and endorsed by the MPC. The Bangalore region as is well known is a water scarce area. The allocation

of the water between different parts of the region and efficiency choices in source development, services and development of water supply systems will be important planning functions of the MPC.

- 5.24 Likewise there are a number of organizations dealing with transport and traffic such as the State Transport Department and statutory organizations such as Karnataka State Road Transport Corporation (KSRTC), BMTC, The Bangalore Metro Rail Corporation, Public Works Department (PWD), Traffic Police etc. Having regard to the recommendations of the National Urban Transport Policy, (NUTP), the state government recently established the Bangalore Metropolitan Land Transport Authority(BMLTA) with jurisdiction extending to the entire BMR, with the BMRDA given the responsibility to serve as the technical secretariat. It is envisaged that this body which has a wide and comprehensive mandate, will eventually be given a statutory basis. *We are of the view that the BMLTA should be accountable to the MPC which would review its functioning periodically and endorse the plans prepared for integrated urban and peri-urban transport systems. The Committee would also recommend that the BMTC's jurisdiction be extended to cover the entire BMR to ensure efficient connectivity between the BBMP and emerging growth centres in the BMR such as townships, International airport etc., and provision of city services in other ULBs in the region*

- 5.25 The Constitution has specifically mandated the MPC to address itself to environment conservation. For this purpose, the MPC will have to interact and give guidance to line agencies and departments such as Pollution Control Board, Department of Environment, Department of Forests etc. A metropolitan-wide geographical information system is

critical for the MPC to enable it to exercise its responsibilities in this regard.

- 5.26 Presently, planning for social sector (i.e., Education, Public Health etc.) in the BMR is carried out primarily in the relevant State Government department. For example, the Education Department designs and implements plans for administering primary and secondary education all over Karnataka including the BMR and the ZP plays its designated role in executing these plans. The role of the urban local government and the metropolitan governance institutions in this sphere of activity is marginal. The Committees is of the view that, at this stage, no major changes are called for in this area except with respect to the role and responsibilities of BBMP which is spelt out separately in Chapter – 6 of this report.
- 5.27 Several parastatals including BWSSB, Bangalore Electricity Supply Commission (BESCOM), PWD, National High Way Authority of India and several others have planned for different zones of economic activity. In order to co-ordinate these different agencies, we *recommend that the two institutions in the BMR Region viz; the ULBs and the District Planning Committee (DPC) may be given overall responsibility for economic and social planning under the guidance of the MPC.*
- 5.28 *The ULBs in the BMR should prepare CDPs. The CDPs should be given a statutory basis and all parastatals operating in ULB jurisdiction should comply with these CDPs.* By developing a legislative framework for social and economic planning, which is analogous to the present framework for land use planning, we allow for integrated planning in these areas.

- 5.29 *Planning for social and economic advancement in other areas of the BMR not falling within the jurisdiction of the ULBs insofar as it is falls within the purview of the district sector, should be done by the concerned DPCs under District Planning guidelines, with the difference that these plans need to get integrated into the overall MDP which is prepared by the MPC.*
- 5.30 *Sectoral Planning cutting across the city level having regional implications will have to be carried out by the parastatal organizations and departments of government. However these plans will have to be overseen by the sectoral divisions within the BMRDA and approved by the MPC.*
- 5.31 The implementation of the social and economic plans must be under the overall supervision of the concerned ULB, ZP or BMRDA/ MPC. The execution of these plans may be carried out either directly by the ULB or ZP or the parastatal organization or government department either directly or through the Public Private Partnership (PPP) route.

Financial Planning

- 5.32 The MPC introduced by the 74th CAA allows for the integration of rural and urban planning through development plans to be prepared by elected representatives of urban, rural and peri-urban areas. Further, it also envisages an integrated development planning by integrating spatial planning with infrastructure, social and economic planning. (Dr A Ravindra Management of Large and Small Cities – The Case of Bangalore 2000)
- 5.33 Integrated development planning requires an integrated capital investment programme and a capital budget. Presently, massive

amounts of public and private investment flow into the BMR. However, these investments are co-ordinated poorly and hence large amounts of private investment are in areas which have little public infrastructure and this leads to accusations of governance failure. Further, public expenditure is often planned without serious financial considerations resulting in time overruns and cost overruns.

- 5.34 Investment planning for the metropolis will have to be global and sectoral at the same time. Sectoral plans will have to be prepared for land, housing, transportation and other infrastructure and then a comprehensive inter-sectoral plan which brings these plans together at a metropolitan level needs to be provided for. Once sectoral and inter-sectoral plans have been prepared there is a need for a Metropolitan Capital Investment Plan for a five year period which identifies resources and allocates them efficiently to achieve local, regional and national priorities.
- 5.35 At this point, there is no capital investment plan or financial plan for the metropolitan area as a whole. Different agencies such as the BDA, BWSSB, BMTC formulate their own plans and budgets in isolation and there is no co-ordination or linkage with each other or with the Municipal and State budgets. *The introduction of capital investment planning and budgeting is absolutely essential to establish a rational system to mobilize institutional resources on the one hand, and ensuring that capital creation matches income necessary to operate and maintain the investments, on the other. By requiring that the capital budgets of these institutions be approved by the MPC and empowering the MPC with the statutory authority to periodically monitor and enforce these plans, we will provide an institutional framework to streamline financial planning in the Bangalore metropolitan region.*

The Manila Capital Investment Folio (CIF) uses this model to allow the MPA to be a financial authority.

- 5.36 Development planning is a complex political and administrative process whereby diverse interests are aggregated and reconciled. Often, the process by which this takes place is far from satisfactory. For example, in the recent litigation surrounding the use of textile mill lands in the heart of Mumbai, various public interest groups, the State government and the Municipality advanced different positions on the 'public interest' to be served by the use of mill lands. These positions were irreconcilable and the court deferred to the view of the State government on this issue. Hence, the institutional framework of planning proposed in this report will be subject to the stresses and strains of everyday politics and the outcomes of such a planning process are unlikely to satisfy all interests at once.

CHAPTER – 6

Reorganization of Bruhat Bangalore Mahanagara

Palike

(Greater Bangalore Municipal Corporation)

C H A P T E R - 6

Reorganization of Bruhat Bangalore Mahanagara Palike (Greater Bangalore Municipal Corporation)

- 6.1. While the 74th CAA provides for the creation of an MPC to deal with metropolitan planning issues, it has not prescribed the pattern of local government to be adopted in a metropolis. It has, however, mandated the Legislature of a State to endow the municipalities with such powers and authority as may be necessary to enable them to function as ‘institutions of self government.’ It is, therefore, left to the states to decide on the type of municipal government it sets up in its cities.
- 6.2. An analysis of the urban local governments in India, reveals broadly three models, they may be classified as follows:

Indirectly elected Mayor with a strong Commissioner

- 6.3. Under this system, typified by the Mumbai Municipal Corporation, the Councillors are directly elected by the people and Mayor is indirectly elected by the Councillors. The Mayor does not exercise any executive powers. He presides over the meetings of the Council and performs ceremonial duties. The Commissioner is the Chief Executive of the Corporation with wide ranging administrative, discretionary and emergency powers. The other municipal authorities exercising powers under the Corporation Act include a Standing Committee and subject committees such as a Markets and Gardens Committee and Law and Revenue Committee among others. The Commissioner is assisted by a number of regional / zonal Additional Commissioners to whom the powers of the Commissioner have been delegated to a considerable degree. The Ward Committees (WCs) consist of councillors representing their electoral wards and other nominated members.

Directly Elected Mayor with a strong Commissioner

- 6.4. In some cities, the Mayor is directly elected by the people but he does not enjoy executive powers. This system is prevalent in States such as Andhra Pradesh, Madhya Pradesh and Uttar Pradesh. The tenure of the Mayor in these States is five years but the executive powers are exercised by the Commissioner. The city of Chennai had previously adopted the system of directly elected Mayor but has subsequently reverted to the system of an indirectly elected Mayor. Under the directly elected system in Chennai, the Mayor exercised some authority as the Chairman of the Appointments Committee of the Corporation and certain Joint Committees set up to achieve co-ordination with the Chennai Metropolitan Development Authority and Slum Clearance Board. The Mayor was also empowered to sanction works up to Rs.10 lakhs, and the power of approvals beyond this limit was vested with the Standing Committee and Council.

Mayor-in-Council System

- 6.5. The only metropolitan city which has introduced this system in India is Kolkata. The Kolkata Municipal Corporation Act provides for three municipal authorities: the Corporation, Mayor-in-Council and the Mayor. While the councillors are directly elected, the Mayor is indirectly elected by the members of the Council. The Mayor enjoys a five year tenure which coincides with the term of the Corporation. The Mayor chooses the Deputy Mayor and not more than 10 Councillors to form the Mayor-in-Council. The Corporation elects the Chairman who presides over the council meetings.

- 6.6. The Mayor-in-Council functions as the political executive of the Corporation and is collectively responsible to the Corporation. The Commissioner is the Principal Executive of the Corporation and exercises statutory powers subject to the control and supervision of the Mayor. The Mayor exercises emergency powers and such other powers conferred on him under the Act. There is a Municipal Accounts Committee comprising of not more than seven members elected from amongst the Councillors and two members having knowledge of financial matters, nominated by the Corporation. The election to this Committee is through a system of proportional representation by means of a single transferable vote.

Municipal Systems across the World

- 6.7. In most cities in the **USA**, the Mayor is directly elected by the citizens and enjoys a tenure of 2 to 4 years, as determined by the Citizens Charter. While some cities have a strong Mayor with a weak Council, some others have a weak Mayor with a strong Council. Invariably, the Mayor is the head of the City Government. He presides over the Council meetings and is responsible for the enforcement of all Council resolutions. The city council usually appoints committees for preparation of plans, and city plans are prepared by involving citizens through a consultative process. The City Manager is responsible to the council administration for all city affairs and has the power to appoint, suspend and remove employees of the city government.
- 6.8. **Karachi**, the largest city in Pakistan, has introduced a federal structure of city government, consisting of, a City District Council, 18 Town Councils (counterpart to the London boroughs) and 178 Union (Neighbourhood) Councils. This system establishes a kind of City

District Government which is aimed at responding to the needs of mega cities.

- 6.9. **Johannesburg**, in South Africa, has evolved its own model of city development by carrying out wide ranging reforms. The city which was composed of several municipalities with overlapping functions has now been consolidated into one Greater Johannesburg Metropolitan Council, with an Executive Mayor at its head. The Mayor appoints a Mayoral Committee, some what like a ‘Local Cabinet’. The city is divided into different administrative regions, each of which is managed by a Chief Executive Officer or Regional Manager and the concerned councillors. The Chief Executive Officer is appointed by the Mayor and the Council on a contract basis and is given charge of central administration including finance, contract management, corporate and community service functions. Although the political powers have been centralized at the level of the Executive Mayor, the service delivery has been decentralized. The line departments have been abolished and companies have been set up for major civic services such as water and sanitation, roads, electricity and transportation. These companies are fully owned by the municipal council and managed by a professional board. The metropolitan council at the apex level co-ordinates the various activities and also undertakes spatial planning.

Evolution of Bangalore Municipal Government: Pressure for Reform

- 6.10. The BMP was established in 1949 by merging two separate municipalities, which were in charge of the administration of the ‘City Area’ and the ‘Cantonment Area’ respectively. The population of Bangalore at the time was about 0.75 million and the municipal corporation started with seven divisions with as many elected councillors. With the growth in population, the representation in the Council had to be proportionately increased, till it reached a level of 100 in 1995 when the municipal area had expanded to 226 sq. kms, comprising 100 wards, each represented by a Councillor in the City Corporation.
- 6.11. The rapid growth of the city in the last decade has placed considerable stress on its physical infrastructure as well as the credibility of its governance. It has also been accompanied by a tide of rising citizen expectations. This pressure for reform was initially addressed through the formation of 7 City Municipal Councils and 1 Town Municipal Council in areas beyond the BMP. However, this proved inadequate to cope with the problems of metropolitan growth and the effective delivery of services. Therefore, the government decided to constitute a single large municipal corporation by integrating the 8 ULBs as well as the contiguous villages. Thus the BBMP came into being in January 2008 and the municipal area expanded to almost 800 sq km with a population of over 6 million people. The delimitation process underway is expected to result in 145 wards. The key objectives for the formation of BBMP as set out in the Government Order are:
- a) Improve and co-ordinate infrastructure development for; road and transportation network, water supply and UGD, Solid Waste Management etc.,

- b) Upgrade quality of urban civic services etc.,
- c) Strengthen administrative capacity to ensure better enforcement of various rules/regulations and better co-ordination in service delivery etc.,
- d) Optimize expenditure on establishment.

- 6.12. The existing system of municipal administration in Bangalore is modelled some what on the lines of Mumbai. The KMC Act provides for a ceremonial Mayor who changes every year; a Commissioner appointed by the Government who is vested with executive powers subject to the overriding powers of the Standing Committee/s and the Council; and a relationship between the elected councillors and officialdom marked by conflicts and compromises.
- 6.13. The State Government continues to exercise considerable control over the Corporation. It appoints the Commissioner and other senior officers of the Corporation and approves the staff strength. The Commissioner, thus, more often than not, considers himself as an agent of the State Government and tends to view the municipal issues from the State Government's perspective. The State Government also has the mandate to approve the annual budget of the corporation and may restrict municipal borrowings. Moreover, the State Government has the overriding power to issue directions and if necessary, dissolve the Municipal Corporation.
- 6.14. Despite being elected to the deliberative wing of municipal government, the councillors exhibit little interest in policy issues. Instead, councillors are deeply interested in local administrative matters like transfer of officials and the award of contracts. Councillors are frustrated with the limitations of their role, as can be seen from the fact that while they are supposed to represent the interests of their constituents, they do not directly participate in city governance. Thus,

as ‘there is usually a large gap between policy and what eventually emerges at the administrative level, for the councillor to content himself with policy matters and to leave administration to others, would be the height of folly.’ (Church, 1976)

- 6.15. The role of parastatal agencies such as the BDA and BWSSB in city governance has only been increasing with time; this limits the operational domain of the elected Corporation. These organizations have, at times, a bigger budget than that of the Corporation and enjoy greater administrative and financial autonomy than the elected body.
- 6.16. We thus have a scenario where the elected municipal body is perceived by the citizens to be responsible for a variety of civic services, but does not enjoy the autonomy envisaged under the Constitution to function as an effective Local Government. It is, therefore, imperative to usher in major reforms in the structure, organization and functions of the BBMP. It is essential to sufficiently strengthen the premier urban local body of the BMR to face the challenges of a rapidly expanding and modernizing global city. The new institutional arrangements should fulfil the following objectives:
- a) Ensuring political accountability of the elected representatives including the Mayor;
 - b) Maintaining a healthy balance between the elected representatives and municipal bureaucracy, and between politics and management; and
 - c) Providing effective service delivery to the citizens and reaching out to the aspirations of metropolitan development.

Legal Framework for BBMP

- 6.17. Article 243Q(1)(c) of the Constitution provides that there shall be an institution of self government called a Municipal Corporation for a

larger urban area. Two main statutes govern the functioning of ULBs in Karnataka: The City Corporations are governed by the KMC Act and the other ULBs by the Karnataka Municipalities Act, 1964 (KM Act). The BBMP has been notified as a municipal corporation under the KMC Act. This Act provides for the institutions of municipal governance (the executive and deliberative) and the functions and utility services to be provided by all municipal corporations in the State.

- 6.18. The KMC Act applies to eight Corporations; namely, Bangalore, Mangalore, Mysore, Belgaum, Hubli-Dharwad, Bellary, Davangere and Gulbarga. The expanded jurisdiction makes BBMP one of the largest municipal corporations in the country. In the discussion below, we examine the key elements of the institutional framework and governance processes of the BBMP.

Municipal Authorities

- 6.19. Section 6 of the KMC Act provides that the Corporation, the Standing Committee and the Commissioner are ‘municipal authorities’ in whom executive power is vested. Notably, the Mayor is not recognized as a ‘municipal authority’ vested with executive power. We will look at each of these authorities below.

Corporation

- 6.20. Section 7 of the KMC Act provides that the Corporation will consist of not more than 100 elected councillors. Further, the State Government may nominate 10 members to the Corporation. Members of the House of the People and State Legislative Assembly representing a city constituency and members of the Council of States and State Legislative Council registered as electors within the city are also members of the Corporation.
- 6.21. The expansion of the jurisdiction of the BBMP will require the new Corporation to have more than 100 Wards, and therefore more than 100 Councillors. *The Committee recommends that the increased number of wards and Councillors may be provided for in a new BBMP legislation. The number of nominees may be fixed at 10% of the total number of elected members and it is recommended that the nominations be from 'persons having special knowledge and experience in municipal administration or matters relating to health, town planning or education' as is presently set out in Section 7 (b) (i). The provision to nominate 'social workers' in Section 7 (b) (ii) should be deleted.*
- 6.22. The Corporation has three functions in municipal government: First, it is the most important political institution from which the executive wing of municipal government draws democratic support and legitimacy. Second, it is the premier deliberative and rule making body at the municipal level and third, it scrutinises the functioning of the executive and holds it accountable. The KMC Act vests municipal government in the Corporation (Section 57) and sets out an elaborate list of obligatory (Section 58) and discretionary powers (Section 59). *The Committee recommends that the Corporation Council must retain a*

strong deliberative and scrutinising function but should no longer be vested with the executive power of municipal government as these should be vested with the Mayor. [The powers of the Mayor have been discussed below]

- 6.23. Further, all members of the BBMP who are nominated as de jure members should not be allowed to vote in the proceedings of the Corporation. At present, in the KMC Act, the MPs and MLAs are allowed to participate and vote in the Corporation. This right to vote violates the requirements of Article 243W of the Constitution which requires that a Municipality be ‘an institution of self government’. *In order to maintain the status of the Municipality as a self-governing institution, it is critical to ensure that only Councillors vote on decisions affecting the Corporation. Hence the Committee recommends that the provisions of Section 9 of the KMC Act be suitably amended to provide for the same.*

Mayor

- 6.24. Section 10, KMC Act provides that the Mayor may be elected by the Councillors from among themselves at the start of each year for a term of one year. Moreover, under the Act, the Mayor is not a municipal authority vested with executive power. A serious lacuna in the political structure of the KMC Act is the indirectly elected Mayor with no statutory mandate or political legitimacy to take independent and critical decisions in municipal governance. Moreover, the present arrangement makes the Mayor of Bangalore a ‘one year wonder’ intended only for ceremonial purposes. As he or she has no executive power, it provides scope for the Mayor to act and interfere in the administration of the Corporation without any responsibility.

- 6.25. In our consultations with various stakeholders, there was a strong consensus that Bangalore needed a political authority that is directly accountable to the citizens of the city and had the political and administrative authority to act decisively in the city's interests. A directly elected Mayor vested with the necessary political and executive power is the only means by which this aspiration can be fully met. Such a system will bring significant new political initiative to the metropolitan government and will bring forth serious political candidates to contest for the Mayor's position. As a directly elected Mayor is proposed as the central element of reform in the structure of BBMP, we have considered some critical institutional issues that need careful attention in the implementation of this reform proposal.
- 6.26. First, a directly elected Mayor will share a different relationship with the elected Corporation. At present, the model adopted in municipal government is a modified Parliamentary form of government where the Mayor is elected and supported by the majority of the Municipal Corporation's members. This parliamentary model is the basis for government at the State and Union level in India. The proposed reform to bring in a directly elected Mayor will be oriented towards a Presidential form of government where the executive branch of government has a direct political mandate from the people which is independent of the mandate of the House. As we have less experience with this model of government, the new BBMP legislation must provide for measures by which political differences which may arise between the Mayor and the Corporation may be reconciled without resulting in gridlock. This may be achieved by giving the Mayor an override power so that he may persist with a policy or executive programme which does not have the support of the majority of the Councillors as well as a

veto power whereby he may negate proposals made by the Corporation through their resolutions. However, we must be careful not to render the Corporation irrelevant. This may be achieved by giving it the power to scrutinize and delay a Mayor's initiative so that deliberation and public discussion becomes possible. The Corporation should also be vested with the power to impeach the Mayor for grave impropriety – a check which may be used as the last resort to ensure the Mayor's accountability.

- 6.27. Second, the experience of Indian states which have adopted the directly elected Mayor system such as, Tamil Nadu, Andhra Pradesh, Madhya Pradesh or Uttar Pradesh has been varied. Though there are different reasons for the indifferent performance of directly elected Mayors in different cities in India, there seem to be basic institutional design failures in the directly elected mayoral system. Most significantly, the Mayor has not been vested with the necessary political and executive power in order to carry out his mandate. Often, the rise of powerful city Mayors is politically threatening to the State Government and these tensions have to be managed in order to make the Bangalore experiment successful. We have to learn from the success of this model in countries like the US or France and adapt the Presidential system of government to the Indian legal framework at this level of government.
- 6.28. *The Committee recommends that the BBMP should have a Mayor who is directly elected by the people with a fixed term of 5 years. By extending the term to 5 years, we will allow the Mayor to emerge as a politically accountable leader at the local government level with a democratic mandate comparable to other political leaders at other levels of government.* As with the head of the State and Union

governments (Chief Minister and Prime Minister), there should be no reservation to the post of Mayor.

- 6.29. Section 60, KMC Act gives the Mayor three major powers. First, to preside over every meeting of the Corporation; second, the general powers of inspection, and finally the power to give directions to the Commissioner for the implementation of resolutions of the Corporation or the Standing Committees. The present allocation of power reflects the status of the Mayor as an indirectly elected leader. Our recommendation for a directly elected Mayor would require that *the Mayor be vested with executive powers of Municipal Government*. Moreover, the Mayor must be allowed to override Corporation resolutions and decisions to a great extent. This redefinition of the Mayor's executive power vis-à-vis the Commissioner on the one hand, and the Corporation on the other, needs to be carried out with great care to ensure a robust system of checks and balances.
- 6.30. Where the Mayor is directly elected, s/he will function as the Chief Executive of the Corporation and will exercise the powers conferred on him under the Act. However, a single individual will not be in a position to discharge all the responsibilities of municipal government. *Hence, the Committee recommends the creation of a Mayoral Committee consisting of not more than 8 (excluding the Mayor) members. These members may be chosen by the Mayor from among the councillors but need not be restricted to the elected members and could include nominated members also. Members of this Committee will hold office at the pleasure of the Mayor. They may be delegated Finance, Projects, Social Services, Administration, Planning and other functions by the Mayor. The Mayoral Committee must be recognized as an*

authority under the Act with requisite powers. Important decisions taken by the Mayor would have to be ratified by the Committee. The tenure of the members of the Mayor's Committee shall be co-terminus with that of the Mayor. The Commissioner will be the head of the administration and exercise the powers conferred on him under the Act in accordance with the directions of the Mayor and the Mayor's Committee. All the officers and employees of BBMP will be subordinate to the Commissioner.

- 6.31. Under the KMC Act, the Mayor functions as the presiding officer of the Corporation. A directly elected Mayor has to be divested of this function in order to allow the Corporation to emerge as a serious check on the Mayor's exercise of power. *Hence, the Committee recommends that the Corporation elect a Chairman of the Council who will act as the presiding officer of the Corporation. The term of the Chairman may be co-terminus with that of the Corporation.*

Standing Committees

- 6.32. Section 11, KMC Act provides that there shall be 8 Standing Committees (Taxation and Finance; Public Health; Town Planning and Improvement; Public Works; Accounts; Education and Social Justice; Appeals; Horticulture and Marketing) comprising of 7 Councillors each. The Standing Committees are given extensive powers as they may 'deal with all matters' relating to their subject area as set out in Section 61-A, KMC Act. The Commissioner is expected to act in accordance with the decisions of the Standing Committee.
- 6.33. The Standing Committee system in Bangalore confusingly straddles two aspects of municipal governance: as a municipal authority,

authorizing executive action and as a deliberative authority, reviewing local law and policy and functioning of government at the urban local government level. Over the years, the councillors have tended to directly influence executive decisions through the Standing Committee system.

- 6.34. The Committee recommends *that with a directly elected Mayor, the role and number of Standing Committees need to be redefined. Standing Committees must hereafter play the role similar to that of Legislative House Committees as in other Legislatures; namely, to evaluate the functioning of departments and provide policy guidance.* In these circumstances, there should be only three Standing Committees, namely: a Municipal Accounts Committee to work on the lines of the Public Accounts Committee. Such a Committee should have not more than 7 members: 5 members of the Committee should be elected from among the Councillors through the Single Transferable Vote system and 2 persons having knowledge and experience in financial matters may be nominated by the Mayor. The main purpose of this Committee would be to examine and scrutinize the accounts of the Corporation and to ensure that the money is spent for the designated purpose and in accordance with proper authority. Further, a Social Justice Committee and a Municipal Services Review Committee may be set up to oversee the functioning of two critical executive functions of municipal government.

Commissioner

- 6.35. The KMC Act provides that the Commissioner ‘shall be appointed by the Government after consultation with the Mayor’ (Section 14). S/he shall ordinarily hold office for a period of two years but the same is

subject to the pleasure of the Government. The Act provides that the Corporation may pass a resolution for the removal of the Commissioner by not less than 2/3 majority. In the last two decades, the Commissioners have been appointed solely at the discretion of the State Government and have seldom held their office for a period of two years.

- 6.36. *The Committee recommends that the Commissioner should be as recast appointed through the following process. A high powered Search Committee set up by the State Government in consultation with the Mayor may advertise for the position by specifying the skill sets necessary for the job. The Mayor may appoint any one among the members short listed by the Search Committee after due process.* As it is essential for new administrative mechanisms and management practices to be infused into municipal government, there should be an option to draw the Commissioner from the outside the government cadres from which s/he is presently selected. Further, the Commissioner should have a term of three years and should only be removed if he is disqualified to hold public office or is convicted of an offence of moral turpitude. This way, the Commissioner is endowed with sufficient degree of independence while making him responsible to the Mayor.
- 6.37. Section 64, KMC Act provides that the executive power of the Corporation shall vest in the Commissioner, who shall act in accordance with the approval and sanction of the Corporation or the Standing Committee as provided under the Act. *This Committee recommends that a reformed BBMP with a directly elected mayor would require that the Commissioner's role be redefined so that he becomes responsible and accountable to the Mayor and the Corporation. The*

proposed new legislation for the BBMP should reflect this appropriately, in addition to the statutory responsibilities of the Commissioner..

- 6.38. The KMC Act should be amended to remove the Commissioner's power under section 72, KMC Act to refer resolutions of the Corporation or its Standing Committees to the State Government, as this power subordinates the Municipal Corporation to the State Government. It is important to reiterate that the Commissioner is directly accountable to the Mayor and the Corporation and not to the State Government. *The power of the State Government to direct the Commissioner or the Corporation to provide records or take particular actions (as currently existing in the KMC Act) does not appear to be necessary and needs to be deleted. However, the State Government should have the power to give directions or dissolve the Corporation in the event of emergency, the same being clearly defined in the law.*

Promoting Public Participation and Decentralizing Service Delivery

- 6.39. There are semi-formal and informal mechanisms to facilitate public participation in municipal government. Bangalore has a number of active and well-known NGOs which work in various areas of urban infrastructure, urban governance, urban poor, heritage, and environment. Leading academic institutions have initiated research, teaching and training programmes in local government and public administration. In the last decade, there have also been attempts at developing public-private partnerships (PPPs) and neighbourhood schemes to improve citizen/industry participation in urban affairs. The mechanisms suggested to facilitate participation in Municipal

government are the Zonal Committee, WC and the Area Sabha. These are discussed below.

- 6.40. The formation of the BBMP may be perceived as a further centralization of executive power over a large area. While this is true at the level of policy making by the Corporation and the Mayor, the Committee is convinced that an improvement in municipal services is only possible by the decentralization of service delivery at several levels. *The Committee recommends that decentralization be carried out at the Zonal and Ward Levels. At each of these which there should be a political structure along with administrative and technical personnel to facilitate appropriate decision making and implementation.*
- 6.41. The Report of the Committee on Establishing Organizational Structures and Staff Requirements in BBMP submitted in November 2006 envisages the creation of 5 new Zonal offices, and Range and Ward Offices within each zone. Including the 3 existing Zonal Offices, there are 8 Zonal Offices of the BBMP at present. However, these offices are viewed as purely administrative offices staffed by the officers of the Corporation. While there is no doubt a need for administrative capacity to be built at these levels of the Corporation, it is critical that the scope for citizen participation be enhanced and Councillors be made responsible for the functioning of these offices.
- 6.42. *The Committee recommends that a comprehensive activity mapping exercise be carried out which can define the functions to be carried out at each level of the BBMP, namely: Ward, Zone and Head Quarters. The revised BBMP legislation should accommodate these activities and give suitable functions to the Committees formed at each level.*

Zonal Committee

- 6.43. The Committee *recommends that political authorities should be created which complement the administrative structures created. The BBMP area may be divided into 8-10 zones each comprising of about 20 Wards. A Zonal Committee which consists of the Councillors from each ward in the Zone must supervise service delivery and project implementation in the Zone and should be given the power to issue directions to the Zonal Office of the BBMP.* The Zonal Committee may be given overall responsibility of collecting revenue; carrying out infrastructure and social services which go beyond a single ward; and streamlining and integrating ward level budgets into the zonal budget.

Ward Committee

- 6.44. The existing legislative mechanism for public participation is through the Ward Committee (WC). In order to decentralize the functioning of the ULBs, the 74th CAA mandated the setting up of WCs in cities with a population of more than 3 lakhs. Article 243S provides that there shall be WCs consisting of one or more wards. Section 13-A of the KMC Act provides that the WC shall consist of the Councillors representing Wards, 5 persons with knowledge and experience in municipal administration nominated by the State Government and 2 NGO or CBO nominated members.
- 6.45. The Karnataka Municipal Corporations (Ward Committee) Rules, 1997 set out the operating procedures for the WCs. These rules mandate the WCs to meet at least once every month, the same being open to public participation. Accordingly, the Government of Karnataka and BMP set up 30 WCs in June 2003. Each committee comprises 3-4 wards with the

Assistant Revenue Officers as conveners. The functions to be discharged include:

- a) Collection and removal of garbage;
- b) Removal of accumulated water on streets, public places due to rain and other causes;
- c) Health immunization services;
- d) Improvement of slums including its clearance wherever necessary in accordance with the established law;
- e) Redressal of public grievances pertaining to the WC;
- f) Maintenance of essential statistics;
- g) Organizing people's participation with regard to the functions allocated to the WC; and
- h) Numbering of streets and premises.

In addition, the WCs are responsible for supervision and monitoring the implementation of the decisions of the BBMP, in specified matters.

- 6.46. The Karnataka Municipal Corporations (Wards Committee) Rules, 1997 which provided for the formation of WCs were notified in 1998. However, there was widespread opposition, to the formation of these Committees from the elected councillors, directed at the equal voting rights granted to nominated and elected members. As the BMP took no further action to form these Committees, the State Government issued a notification constituting such Committees and nominating members to these Committees. Most of the members nominated to these Committees were workers of the political party in power with little or no experience in urban affairs. The secondary literature reviewing the functioning of WCs in Bangalore concludes that this institution 'did not succeed in becoming a formal institutionalized mechanism for people's participation in planning, implementing and monitoring works.' (K.Chamaraj 2006) Further, in our consultations, there were complaints by civil society groups that nominations to the WCs made them non-

representative, predominantly middle-class institutions which were excessively politicized.

6.47. The Committee recognizes that the revitalization of the institution of WCs is an essential task. The consolidation of the WC Office as the first and basic level at which service delivery functions are integrated is a primary objective to be achieved through legislative and institutional reform.

6.48. The first step would be to constitute the WCs in an effective manner. *The Committee recommends that a WC should be constituted in every ward by elections and through nominations by a wide range of stake holders including educational institutions and neighbourhood organizations.* Under this system the WC may comprise the following:

- a) Councillor of the ward who shall be the Chairperson
- b) 5 elected members
- c) 5 members nominated by community based organizations in the ward and approved by the Commissioner and the Mayor

This model of representative democracy has the potential to revitalize the WC through political representation, power and accountability. On average, the WC would consist of 10 members with the Councillor as Chairman. An official of appropriate level may be designated as convenor. In the absence of the Chairman, one of the members may be elected as the Chairman for the meeting. The WC must meet atleast once a month. Activity mapping for the urban local government sector would indicate the broad functions for this institution. Allowing WCs to interact with local service delivery arms of the BBMP will allow such Committees to have greater effect. The WC's role in the implementation and delivery of services will be enhanced by ensuring e-governance and

tele-governance initiatives which allow the citizens to keep in close communication with the WC.

- 6.49. The WC must focus on the integration of citizens into the processes of local governance. All activities which may be carried out at the ward level must be delegated to the ward. Functions which may be delegated include Solid Waste Management, supervision of works and delivery of social services, deviation in construction and land use, general conditions of parks and playgrounds, stray dog control, locating utilities, identification of beneficiaries for functions, street lights, street drains, public toilets and prioritization of works. The WC should institutionalize social audit of the third tier of government through a regime of participation and disclosure.

Area Level

- 6.50. The mandatory reform under the JNNURM programme requires the establishment of Area Sabhas. This is not provided for in the existing municipal legislation. Clauses 3-10 of the Model Nagara Raj Bill proposed by the Union Ministry of Urban Development set out a framework for this institutional reform. The Model Bill provides that a Ward must be divided by the State Government into smaller units known as 'Areas'. Area Sabha is defined as the body of the persons registered in the electoral rolls of that Area. This popular assembly is empowered to get information from officials regarding the services they render and works proposed in the Area. Any registered voter from the Area Sabha may get elected as the official representative of the Area.
- 6.51. The Committee considered the proposed Area Sabha under the Nagara Raj Bill. In the public consultations, the Committee found little

enthusiasm for this proposal as most participants took the view that the creation of another layer of electoral politics to select the Area Sabha representative below the WC had little chance of success. Moreover, it may be difficult to effectively institutionalize a popular assembly such as the Area Sabha in the urban context as it is difficult to mobilize public participation at such a scale.

- 6.52. The Bhagidari model in New Delhi and the recent initiatives in the Hubli-Dharwad municipal area with voluntary Citizen Civic Groups interacting with the Corporation on a semi-formal basis may be models worth emulating. This is a useful first step in creating a culture of citizen participation. This tier of citizen–government interaction may develop into an institutional framework which adequately serves the functions envisaged for the Area Sabha.

Karnataka Municipal Tribunal

- 6.53. *The Committee recommends the creation of an Appellate Tribunal, to resolve municipal taxation and service disputes, by suitable amendments to the KMC Act, KMA Act and by making suitable provisions in the new BBMP Act.* Presently, municipal employees are not considered government servants and cannot approach the Karnataka Administrative Tribunal and hence these disputes are directed to the civil court system. The creation of an independent tribunal system at the municipal level with the scope for further appeal and judicial review to the High Court will help reduce pending litigation and allow the municipal body to work more efficiently. Moreover, the BBMP must deploy a range of non-court, alternative dispute resolution mechanisms as a compulsory first step in the resolution of all legal disputes.

Karnataka Municipal Services Commission

- 6.54. The recruitment of qualified and suitable personnel to staff municipal government in Karnataka is a critical aspect of municipal reform in the State. Presently, 25% of the staff in key departments of the BBMP is on deputation from State Government departments including the PWD and Health Departments. In order to provide for the regular and timely recruitment of competent personnel to the BBMP, *the Committee recommends the establishment of a Municipal Services Commission for the State which will recruit municipal employees for all ULBs in the State.* Such a model currently operates in Kolkata.
- 6.55. The Municipal Services Commission (MSC) can operate on the lines of the Public Sector Enterprises Recruitment Board and appoint personnel on a contract basis. This Commission should engage with the tasks of reform in personnel policy, recruitment and conditions of service, so that Municipalities in Karnataka may draw fresh talent from a wide pool within the private and public sectors.

CHAPTER – 7

Restructuring Parastatals

C H A P T E R - 7

Restructuring Parastatals

- 7.1. So far in this Report, we have set out the reform of metropolitan level and city level governance institutions. In this Chapter, the Committee will review the mandate, territorial jurisdiction and political accountability of key parastatals which have a significant impact in the BMR.
- 7.2. In the last six decades, the State Government has created a number of parastatal organizations to carry out specific aspects of infrastructure development and service delivery. The range of parastatals which operate in the BMR and the scale of their impact compel careful scrutiny of these institutions. Further, parastatals have a sector specific mandate with varying territorial jurisdictions. For example, the BDA and the BWSSB have jurisdiction over the BMA while the Karnataka Industrial Areas Development Board (KIADB) and Karnataka Housing Board have a state-wide mandate. The Committee has identified several concerns that need to be reckoned with.
- 7.3. The first, is the relationship between the parastatals and the local government in the context of the 73rd and 74th Constitution Amendments. The 74th CAA envisages ULBs to function as institutions of self government at the local level, investing them with the functional mandate to deliver local services. Parastatals are arms of the State Government acting in sectors where responsibility has been conferred on the local government. Moreover, they owe their allegiance to, and are made accountable to, the State Government. While it may be argued that the constitution does not confer exclusivity to the local government, in terms of the functions allocated to it, there is nevertheless a dire need to redefine

the scope of the functions, at least in common areas and sectors, and spell out the accountability issues in clear unambiguous terms *vis a vis* the state and local government.

- 7.4. Second, there exists confusion in the minds of the public on the nature and scope of responsibilities of the parastatals and their relationship with the ULB. Public appreciation and disaffection are targeted at the ‘government’ in general: but in actuality, it is the ULB which has to bear the brunt of the local ire, and quite often, it is not in a position to act against a parastatal, as this would tantamount to acting against the State Government.
- 7.5. Finally, there is a need to understand and rationalize the reality of multi-level government in a large metropolitan region such as Bangalore. It is often the case that central, state and local governments carry out activity in the same sector – such as building roads, public transport systems and so on. Therefore, it is critical for us to delineate the nature and structure of inter-governmental relations in these sectors.
- 7.6. With the present accent on the decentralization of political and executive power to the ULB, the Committee reviewed the mandates of the key parastatal organizations to see how these mandates could be redefined in a manner that provided for greater jurisdictional and functional clarity and, more importantly, the manner in which they should be made accountable to the democratic political institutions: namely, the BBMP, and the MPC.

Bangalore Development Authority

- 7.7. The BDA is constituted under the BDA Act, 1976. This authority is conferred with considerable powers including the power to acquire land,

develop comprehensive schemes for housing and infrastructure and enforce land use regulations. Presently, the BDA is conferred with the powers under the KTCP Act to prepare and enforce the Master Plan in the BMA. As a public developer, it is the biggest acquirer of land, in and around Bangalore, for developing township schemes which have, by and large, focussed upon sites and services. In the last decade or so, the BDA has also focussed upon development of stand alone infrastructure projects under its own or centrally sponsored schemes such as Mega City or JNNURM.

- 7.8. The CUMB Report 1997 had examined the role and functioning of the BDA in great detail and felt that for a variety of reasons which were perhaps valid then, the organization had outlived its mandate and therefore recommended that the 'BDA should be wound up.' This conclusion mainly rested on the general principle of institutional design that regulatory and development functions should not be vested in the same authority. The CUMB Report also found many weaknesses with respect to the developmental role of the BDA, given the emerging gaps in trunk infrastructure in and around the city, insignificant focus on public housing, especially for the urban poor etc;
- 7.9. This Committee reviewed the analysis and conclusions in the CUMB Report and surveyed the developments in the last decade since the CUMB made its recommendations. We find that the last decade confirms the findings of the CUMB Report to the extent that investing the BDA with twin responsibilities, as a land developer and as a regulator of land use, has led to the neglect of its regulatory role. However, there has been a significant turnaround in BDA's financial position, with the increasing land values; its role as a developer of infrastructure has attained greater

credibility with several major infrastructure projects successfully brought to closure such as Outer Ring Road, Fly overs, Underpasses etc. Given this scenario, the Committee recommends that the role and responsibility of the BDA needs to be redefined so as to give it a new mandate.

7.10. Earlier in this Report, the Committee has recommended that the power of land use regulation should be conferred on city level government—BBMP and other ULBs—and the metropolitan government—MPC/BMRDA. This recommendation is motivated by the imperative need to confer land use planning on an elected government, which the same being a constitutional requirement reaffirmed by the JNNURM guidelines. Moreover, divesting BDA of this power will lead to an organization with sharper focus and greater role clarity.

7.11. *The Committee therefore recommends that the scope of BDA's developmental functions should be enlarged to take on the role of a metropolitan level infrastructure development agency and to this end, Section 2C of the Act must be amended to give the BDA jurisdiction over the entire Bangalore Metropolitan Region* In its new role , the BDA may take over the development projects recently initiated by the BMRDA and may also design and develop township schemes, schemes for development of trunk infrastructure in the Metropolitan area, and also projects such as ring roads, arterial link roads, roads and flyovers to bring about better dispersal of traffic within the core area of the city . BDA's current expertise in these projects will be well utilized by such an emphasis on the development mandate.

7.12. The Committee also felt that BDA should give more focus on implementing redevelopment schemes along with the city government

(i.e. BBMP) to enable urban renewal in the inner city areas which are afflicted with congestion and decay. This will enable better utilization of land in the core areas. The sites and services model that BDA has adopted over the last few decades has outlived its utility and in new extensions, the aim should be to maximise utilisation of land with innovative development schemes for providing affordable housing units to the lower and middle income groups. PPPs in developing and implementing such schemes should be encouraged to the maximum extent.

- 7.13. The Committee was also of the view that *the re-oriented BDA, with its focused developmental mandate and enlarged jurisdiction, may be reconstituted as a Company under the Companies Act 1956*. It is felt that such a legal entity would not only have substantial administrative and financial autonomy but also improved prospects to make commercial borrowings and raise share capital from the market. The shares of the company could be allocated proportionately to the ULBs in the BMA and the State Government and in due course shares may even be offered to the public. However, the major implication of such a change is that the BDA would not operate under the existing statute, which has enabling provisions for land acquisition. This may be construed as a disadvantage. However, given that there are land acquisition enabling provisions in the KIADB Act, the KHB Act and also the Land Acquisition Act and more importantly, given the fact that the KIADB Act provides for acquisition by agreement which is more flexible and consistent with current realities of acquisition, compensation and rehabilitation measures, the restructured company could take recourse to acquisition under these statutes. Besides, given the increasing significance to taking up projects via the PPP route, restructuring it as a company will facilitate formation of SPV's etc. The

Government may like to take a view on this after a detailed examination of the pros and cons.

- 7.14. *The Committee recommends that wherever ULBs develop plans and projects to be funded by them, the BDA may execute projects on a contractual and commercial basis or execute some projects on a preferred agency basis as is presently the case with BWSSB.* In all such cases, operations and management functions must be handed over to the ULB which commissioned the work. The BDA may utilise its own funds to carry out other projects consistent with the MDP approved by the MPC.

BMRDA

- 7.15. The BMRDA is, like the BDA, a body constituted under Statute, but without the power to acquire land. The BMRDA is given the power to ‘cause to develop’ projects in the BMR besides being a regulatory and policy body. In the last few years, the BMRDA has begun to undertake large scale projects including the International Airport Link Road, the Peripheral Ring Road and Township projects around Bangalore city. This redefinition of the BMRDA’s role calls for a review.
- 7.16. In the earlier chapters, we identified a general principle for institutional design which is that a regulatory and policy body cannot be a project development agency. BMRDA must revert to its original mandate of being the Apex Planning Body for the BMR. Further, by enacting a new Metropolitan Government legislation which provides for the BMRDA and the MPC, *the Committee reiterates its recommendation that the Planning and Policy orientation of the BMRDA be emphasised. This legislation must provide for the BMRDA to be the permanent secretariat to the MPC. The BMRDA should develop a new model of staffing so that a significant*

proportion of its employees are experts drawn from outside the government on a contractual basis in order to attract the best available talent. This mode of drawing the best expertise from around the world into metropolitan level governance will establish a new standard for the country. Further, *the Committee recommends that the BMRDA should be given overall regulatory authority over land use. Suitable amendments to Section 9 of the Act need to be made, so that BMRDA's authority to develop spatial plans overrides existing legislation like the KLR Act and the KTCP Act.*

Water Supply and Sewerage

- 7.17. The availability of sufficient potable water and its widespread distribution is the most significant constraint on the development of the Bangalore metropolitan region. The 12th Schedule to the Constitution provides that 'water Supply for domestic, industrial and commercial purposes; Public health, sanitation, conservancy and solid waste management' are the responsibility of the ULB. Further, the JNNURM reform programme envisages that 'States should ensure meaningful association and engagement of ULBs in the planning function of parastatals as well as delivery of services to the citizens'. The programme requires that over a period of seven years, the States must transfer all special agencies that deliver civic services in urban areas to ULBs and create accountability platforms for all urban civic service providers in transition.
- 7.18. Currently, the provision of water supply and sewerage services is carried out by BWSSB in the Bangalore Metropolitan area in accordance with the Bangalore Water Supply & Sewerage Board Act (BWSSB Act) functions of BWSSB include the investigation of sources of water supply and the

development of water sources; projects to carry water to the city from the identified sources; water treatment and water storage; transmission of water to the distribution centres; distribution supply which includes meter reading, billing and collection; and necessary customer service. The Committee reviewed the performance of the BWSSB on all these functions and examined several options by which BWSSB may be restructured.

- 7.19. CUMB Report, 1997 recommended that, as a part of the restructuring of municipal administration and delivery of services, water supply and sewerage should be made a wing of the ULB by abolishing the Statutory Board and transferring existing BWSSB staff to the ULB. While the Committee agrees that ensuring ULB responsibility for providing water and sanitation services is essential to ensure political accountability for this vital service, in the present circumstances, with the expansion of BMP to BBMP (an expansion in area from 225 sq km to 740 sq km), it may not be prudent to transfer the entire responsibility for water supply and sewerage to BBMP at this stage, as underground drainage (UGD) infrastructure development in the newly added areas, is yet to be completed.

- 7.20. *Hence, the Committee recommends that a Special Purpose Vehicle (SPV) be established under the joint ownership of BWSSB and which will manage the retail distribution of water supply in the BBMP area while maintaining BWSSB's present mandate on water source augmentation, sewerage and waste water management. At a later stage, sewerage (UGD) operations and maintenance may also be handed over to the SPV.* The jurisdiction of BWSSB may be extended to the BMR replacing the KUWSDB's role for source augmentation for areas other than BBMP.

- 7.21. This is a viable institutional arrangement as it brings the BWSSB and BBMP into a common enterprise and builds on the present strengths of both the organizations. Further, this will satisfy the 74th CAA by establishing a citizen interface under the control of the ULB while retaining the expertise developed by the BWSSB for further exploitation of water resources and development of the transmission network.

Transport and Traffic

- 7.22. The XII Schedule to the Constitution does not include Urban Transport as one of the subjects on which the ULB has power and control. However, we are acutely aware that urban transport has become one among the most critical issues which determine the quality of urban life. At present, urban public transport in Bangalore is provided by the BMTC and in the near future, will also be provided by the Bangalore Metro Rail Corporation (BMRCL), both of which have been created by the State Government and have no formal relationship with the BBMP.
- 7.23. The National Urban Transport Policy (NUTP) has recommended the setting up of Unified Urban Transport Authorities (UMTA) in million plus cities. These UMTAs are designed to incorporate two key institutional features: first, the creation of an independent regulatory agency which can plan urban transport and design urban transport policy and legislation. Such an agency must have the power to enforce these decisions and regulate the various actors providing transport in the region; second, its inter-governmental character which envisages central, state and local governments acting together to achieve common transport objectives. By providing for an institutional arrangement where close co-ordination is possible several existing problems may be overcome.

- 7.24. The Government of Karnataka has recently created the **Bangalore Metropolitan Land Transport Authority (BMLTA)** to act as an UMTA in the Bangalore Metropolitan Region. The key functions of the BMLTA include the co-ordination of all land transport matters in the BMR, the preparation of a detailed Master Plan for Transport Infrastructure in the BMR (as a sequel to recently prepared Comprehensive Traffic and Transport Study for Bangalore) and overseeing the implementation of all land transportation projects (except Railways).
- 7.25. The creation of the BMLTA by executive order is an essential first step to the development of a comprehensive transport and traffic strategy for the Bangalore metropolitan region. *We recommend that the BMLTA be given adequate statutory basis expeditiously. This will strengthen its ability to develop a comprehensive and decisive response to what is undoubtedly one of the most serious issues facing the Bangalore region today. Further, we recommend that the BMLTA operate as a wing of the MPC/BMRDA and actively adopt a participative approach towards transport planning and project preparation. The organization must also take urgent steps to augment its capacity by hiring services of transport planners, experts in traffic engineering and other subject matter and communications specialists. It is critical for this new institution to also undertake short term measures that will alleviate the serious traffic problems confronting the city today.*

CHAPTER – 8

Financial Issues

C H A P T E R - 8

Financial Issues

- 8.1. Although the area of financial resources is not part of its Terms of Reference, in view of its importance to planned metropolitan development, the Committee considered it necessary to make some broad recommendations on this aspect. Moreover, effective urban governance involves decentralisation not only of responsibilities but also of resources.
- 8.2. Financing the needs of metropolitan Bangalore is determined by the functions entrusted not only to the BBMP but also to other parastatal organisations providing essential services; such as water supply, housing and public transport. It would, therefore, be essential to make an assessment of the requirements of all the agencies delivering public services. Financing needs would include the cost of regular maintenance and of new capital works. Wherever certain services are subsidized, the cost of such subsidies should also be included. As execution of capital works would necessitate borrowing from financial institutions / market, the cost of debt servicing should also be taken into account.

Estimated Capital Investment Program in BBMP

- 8.3. The Committee took note of the assessment of capital expenditure of various sectors made by CRISIL (advisor appointed by Government of Karnataka to assess the investment outlays) in its report submitted to the government. The report has also recommended certain fiscal measures to enhance the financial resources of the BBMP.
- 8.4. CRISIL has estimated the agency wise investment requirement for provision of basic infrastructure in the BBMP area, to be 27,825 crores, (at constant cost) by the year 2012. The details are as follows:

Agency /Sector		Investment Need by 2011-12 (Rs. Crores)	
		Constant cost	*Escalated cost
BBMP			
1	Roads	1,238.2	1,627.7
2	Storm Water Drainage	1,126.9	1,477.7
3	Street Lighting	110.0	144.6
4	Solid Waste Management	522.5	676.7
5	Slum Upgradation	2,000.0	2,629.1
6	PPP Project by BBMP	3,235.2	4,058.8
7	PPP Project by PPP Developers	4,852.7	6,088.2
8	Others	2,242.7	2,947.8
9	Land Acquisition Cost-SWM	129.2	155.2
10	Land Acquisition Cost-Others	177.6	213.3
Sub total (BBMP)		15,635.0	20,019.1
BWSSB			
1	Water Supply	5,986.0	8,088.6
2	Sewerage	2,203.4	2,941.3
Sub total (BWSSB)		8,189.4	11,029.9
BDA			
1	Peripheral ring road	4,000.0	5,096.0
Total Investment		27,824.4	36,145.0

* Escalated cost includes physical contingencies and technical assistance at 10% of base cost and 6% price escalation during execution period.

- 8.5. The study also went into the investment sustaining capacity of BBMP and BWSSB, assuming a certain level of potential of generating additional resources by these bodies and financing under JNNURM. It was concluded that against the total requirement of Rs.31,048 crore (by BMP and BWSSB), the funding deficit of BBMP and BWSSB alone comes to Rs.22,669 crore (Rs.12,412 crore and Rs.10,257 crore respectively) which could be brought down to Rs.12,341 crore with revenue augmentation measures and the assistance under JNNURM. In order to bridge this gap in resources, the CRISIL report has suggested to take recourse to fund transfers from the State Government, under different mechanisms.
- 8.6. The Committee is of the opinion that in estimating the total infrastructure demand, the requirements of transport, environment and power sectors should also be taken into account. The agencies concerned would be

BMTC, BMRCL, BESCOM, KSPCB and KUWS&DB. Besides, traffic infrastructure also needs modernization in the form of traffic signals, modern equipment, junction improvements, underpasses, over bridges, MIS etc. Further, with the enhanced jurisdiction for BWSSB, BDA etc., suggested in this report, the resource requirements in the BMR may be quite considerable for development of infrastructure, thereby requiring, multiple financing mechanisms.

- 8.7. Keeping in view the inter-sectoral character of metropolitan development, *the Committee recommends the preparation of a Metropolitan Budget which reflects the capital expenditure of key infrastructure components and the sources of funding. Such a Budget will be based on the plans and budgets of the various agencies and the metropolitan development plan to be prepared by the MPC. The Budget can be prepared by BMRDA, approved by the MPC and placed on the floor of the State Legislative Assembly.*
- 8.8. Appraising the BBMP's financial performance, the CRISIL study concluded that BBMP is headed for a deficit scenario and currently, its revenue account is in deficit. CRISIL has made a number of recommendations to augment the resources of BBMP such as revision of ARV / CV of property tax, improving collection efficiency, and other resource mobilization measures which are within the purview of BBMP, apart from suggesting revenue from sources at the state level such as surcharge on stamp duty, surcharge on VAT etc.,
- 8.9. The CUMB Report which had examined the issue of resources in some detail had observed that it was necessary that functional autonomy be maintained and this could only be ensured by allocation of taxation

provisions. Taking note of the impact of abolition of octroi which was an important source of municipal revenue, it pointed out that entry tax, intended to be a replacement for octroi, fell short of its being made a form of local revenue. It, therefore, recommended that entry tax be declared local revenue and while the Commissioner of Commercial Taxes (CCT) could continue to collect the tax, the collection should be transferred to the BMP directly every month. The Committee had also suggested that entertainment tax and profession tax which were converted from being municipal revenue to a shared tax should be restored to the local body.

- 8.10. This Committee is of the view that all the fiscal issues relating to the BBMP including the ones raised above need detailed examination and should rightly be dealt with by the Third State Finance Commission constituted by the State Government in 2006. According to Article 243Y of the Constitution, the SFC shall review the financial position of the municipalities and recommend measures to improve the same including the principles which should govern the distribution, between the state and the municipalities, of the proceeds of taxes leviable by the state and the determination of taxes to be assigned to municipalities. *The Urban Development department of the government should, therefore, present the case of Bangalore before the SFC with a view to make the BBMP a fiscally strong institution.*

- 8.11. In the context of promoting good resource management, the Committee would like to emphasize the following:

- i. Improvement of tax administration: As the failure to assess all properties has resulted in considerable loss of revenue, it is necessary to carry out tax mapping, tax unauthorized properties,

improve collection efficiency and review exemptions under property tax.

- ii. Improve asset management: Better management of municipal properties such as markets and commercial complexes, leasing out of properties etc.
- iii. Expenditure control: Introduce accounting methods to estimate costs, monitor costs of services, etc.
- iv. Public Private Partnership: Identify areas for PPP and outsourcing.
- v. Operation and Maintenance: Make adequate provision in annual budgets for operation and maintenance.
- vi. Professional management and audit systems: Recruit chartered accountants and other professionally qualified staff.

8.12. In respect of metropolitan level resource management:

- i. BMRDA should submit, to the SFC, the resource requirements of the metropolitan region with details of projects and viability gaps. It should also periodically monitor the progress of the implementation of the SFC's recommendations.
- ii. A Metropolitan Development Fund (MDF) should be constituted with identified services and desirable uses for metropolitan level tasks.
- iii. BMRDA should also be responsible for preparing a capital investment plan, co-terminus with the five year plans of the State Government, which will be a compilation of various investments needed for the metropolitan area indicating their priorities.

8.13. Finally the *Committee recommends that the financial powers of BBMP (i.e., power to incur expenditure on capital and revenue account) must be reviewed comprehensively to provide for maximum autonomy with respect to expenditure incurred from the BBMP's own resources in conformity with its approved Budget. The present requirement of referring proposals to the State Government to incur expenditure above a certain*

threshold (Rs. 1 crore) as per provisions of KMC Rules, is cumbersome and unnecessary, specially when other parastatals like BDA or BWSSB do not appear to have any such restraints placed upon them. The proposed new legislation on BBMP must provide for adequate financial autonomy in line with ULBs of similar size / stature, across the country.

CHAPTER – 9

Social Service Delivery

CHAPTER 9

SOCIAL SERVICE DELIVERY

- 9.1. Karnataka, with 34% of its population residing in urban areas, is currently ranked as the fifth most urbanized Indian state. The State's high urban growth was caused, to a great extent, by migration and natural increase rather than reclassification of settlements. The BMA, with less than 0.5% of the state's area, is home to nearly 10.5% of the state's population. This process of rapid urbanization has resulted in immense pressure on the provision of adequate municipal services across towns and cities in the State: including water supply, sanitation and social services. The inability of ULBs to provide adequate basic services has affected the urban poor disproportionately.
- 9.2. A cursory glance at the comparative poverty statistics reveals that while the India Urban Poverty Ratio (IUPR) is 25.7% (2004-5), in Karnataka it is 32.5%. This suggests that urban areas in Karnataka have a significantly high incidence of poverty. To overcome the same a holistic policy framework and institutional reform is required. As Bangalore has up to 30% of the urban population in the state of Karnataka, the dimensions of urban poverty (which may not be insignificant) require special attention of the municipal government.
- 9.3. The first problem relates to the lack of adequate data on the phenomenon of urban poverty in Bangalore. The lack of data sources on the nature, extent, distribution and other characteristics of poverty in Bangalore is a cause of serious concern. Unless there is reliable and abundant data on the nature of urban poverty in Bangalore it is unlikely that adequate solutions will be found. *Hence, the Committee recommends that the MPC should*

commission a detailed social and economic survey of the BMR. The formulation of a rigorous policy response to the problem of urban poverty will be possible only after such data is available.

- 9.4. The Committee considered two facets of the response to urban poverty namely, Urban Poverty Alleviation programmes and Municipal Service Delivery in the Health, Education and Housing Sectors. Entry 11 of the 12th Schedule read with Article 243W of the Constitution of India places the primary responsibility for ‘urban poverty alleviation’ on the ULB. Further, the 12th Schedule requires ULBs to: take up slum improvement and upgradation; provide for public health; provide cultural and educational facilities; safeguard the interests of weaker sections of society; and plan for economic and social development of the city as a whole. Hence, there is no doubt that with the 74th CAA the ULBs must refashion their institutions and policies to undertake a considerable, poverty alleviation and social justice agenda.
- 9.5. The Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) is the flagship urban poverty alleviation programme of the GoI, under a centrally sponsored scheme, which brings together pre-existing programmes in this sector. The SJSRY scheme rests on the foundation of community empowerment through community organizations established and promoted under the scheme. However, the coverage of the scheme is modest and unless these schemes are scaled up rapidly, no significant impact on urban poverty is likely in the near future. Apart from the SJSRY there appears to be no other significant State sponsored scheme to tackle urban poverty (apart from housing schemes). At the level of the ULB, there are dedicated welfare schemes for the upliftment of SC/ST and other weaker sections but the scope of these schemes may be limited when we assess the magnitude

and scale of deprivation. Hence the need for a comprehensive intervention addressing all aspects of urban poverty.

9.6. The JNNURM recognizes the critical role that ULBs have to play, in poverty alleviation and social justice programmes, by instituting a detailed Sub-mission to provide for Basic Services for the Urban Poor (BSUP). This Sub-mission encourages the participating cities to submit funding proposals built around any of the following:

- i. Integrated development of slums, i.e., housing and development of infrastructure projects in the slums in the identified cities.
- ii. Projects involving development/improvement/maintenance of basic services to the urban poor.
- iii. Slum improvement and rehabilitation projects.
- iv. Projects on water supply/sewerage/drainage, community toilets/baths, etc.
- v. Houses at affordable costs for slum dwellers/urban poor/EWS/LIG categories.
- vi. Construction and improvements of drains/storm water drains.
- vii. Environmental improvement of slums and solid waste management.
- viii. Street lighting.
- ix. Civic amenities, like, community halls, child care centres, etc.
- x. Operation and maintenance of assets created under this component.
- xi. Convergence of health, education and social security schemes for the urban poor

9.7. JNNURM offers cities like Bangalore an opportunity to make substantive progress in the provision of basic amenities to the urban poor. Under the

BSUP programme for Bangalore, the following projects are being implemented

Sl. No.	Project	Agency	Cost (Rs. crore)
1.	Rehabilitations of Slums (2 Projects)	KSCB	313.450
2.	Redevelopment of Slums (3 Projects)	BBMP	60.614

- 9.8. These initiatives need to be scaled up considerably, and expanded in scope, to directly address concerns of livelihood and income security of the urban poor. *The Committee recommends that the MPC and BBMP reorient their organizational focus and policy to undertake massive and efficient poverty alleviation programmes, and streamline service delivery in the fields of education, health and housing. The Committee further recommends the development of an ‘Urban Indicators Database’ so that the deficits in service delivery may be bridged by effectively targeted programmes (periodical survey).*

Education

- 9.9. Public educational institutions in the BMR are established and maintained by the State Government as well as by the ULBs. Where they are administered by the State Government, they come under the jurisdiction of the Education department of the State Government and are under the control of the ZPs and the Taluk Panchayats. The BBMP runs approximately 132 Nursery, Primary, Secondary Schools and Junior Colleges. These schools and colleges cater to about 21000 students, primarily from the poor sections of the society. All students in BBMP schools are being provided with midday meals, for which adequate provision has been made in the Education budget of the BBMP.

- 9.10. The Administrative Reforms Commission (ARC) reviewed the functioning of the education system in the region and reached the following conclusions. First, while government run schools all over the state suffer from weak administration and poor academic performance, this problem is more severe in the BMR. The performance of the children in state run schools in the BBMP area especially at the SSLC level is the lowest in the State; the success rate being an average of only 20-25%. The performance of schools, administered by the State Government, in the BMR is better than the schools run by the BBMP, but lower than those in other parts of the State. Second, the ARC found that the activities performed by ZP, Taluk and Gram Panchayats in the BMR should be transferred to the ULBs (BBMP) as these bodies are not focusing on the administration and management of urban schools. Thirdly, the ARC recommended that a Board be established within the BBMP to administer and control the functioning of schools. The services of personnel available within the education department should be made available to the BBMP and funds for the administration and maintenance of these schools should be provided directly to the BBMP by the State Government.
- 9.11. The Committee reviewed the recommendations of the ARC. While there maybe a perception that adding State Government run primary, secondary and high schools would further extend the already strained education administration of BBMP, the Committee is of the view that there is no other institutional mechanism by which local accountability for educational outcomes can be established. *Hence, the Committee recommends that the State Government and BBMP accept and implement the recommendations made by the ARC cited above. The administration of government schools in the BBMP area may be handed over to the*

BBMP, with State Government funding for the same. In the alternative, a Special Education Authority, in which the BBMP has representation, may be created for the management of all State and BBMP run schools. The funds allocated for the capital and revenue costs of running these schools must be transferred by the State Government to the Special Education Authority. Further, the Committee recommends that the BBMP and Special Education Authority explore a participative model of administering schools so that parents and neighbourhood communities emerge as key stakeholders in the administration of the municipal school system in Bangalore, a model which is analogous to the School Development and Monitoring Committees in operation in other parts of the State. The existing arrangements may be continued with in the smaller municipalities in the BMR.

Public Health

- 9.12. Entry 6 of the 12th Schedule of the Constitution read with Article 243W lists public health as one of the functions delegated to ULBs. The obligatory functions of Municipal Corporations listed in the KMC Act include public health. The BBMP has to prioritize public health as one of its prime mandates with rigorous assessments of the levels of public satisfaction with the service rendered.
- 9.13. The BBMP has established a Health Department which undertakes the following programmes: Solid Waste Management; Mosquito Control; Prevention of Food Adulteration; Control of Epidemic diseases; Trade Licenses; Maintenance of Public Conveniences; Vital Statistics; Maternity Child Health (Immunization & Family Welfare); Revised National Tuberculosis Control Programme (RNTCP); Treatment of Dog Bites; Pulse

Polio Immunization; HIV AIDS programme; Family Health Awareness Campaign; Cancer Screening Programme; Sanjeevini nutritious meal programme.

- 9.14. The Committee did not evaluate various sectoral programmes carried out by the BBMP within the ambit of public health. *The Committee is aware of the need to appraise the present approach to solid waste management, which has become an area of serious and overarching concern, and the BBMP must set up a separate wing to undertake this task. Moreover, regular medical doctors should not be diverted from mainstream medical duties and made responsible for solid waste management activities.* The BBMP must develop an integrated approach to waste management which aims at waste reduction, improved disposal techniques and energy generation so that the life cycle of waste is comprehensively responded to.
- 9.15. *The Committee recommends the commission of a public health survey, by the MPC and the BBMP, to establish baseline indicators on the status of public health in the BMR. Secondly, the BBMP must evaluate the wide scope of public health activities it presently undertakes and eliminate all such activities which are better done by the State Government such as the running of referral hospitals. Instead, the BBMP must focus on preventive and promotive health strategies that have a significant public health impact.* In the last year, the public panic regarding the culling of rabid dogs around the city and the sterilization programme highlight the nature of health concerns which should command the attention of the BBMP. By focussing its energy and resources on these aspects of public health and overall sanitation, in a broader environmental context, the MPC and the BBMP are more likely to meet public expectations in this area. The

Committee also recommends capacity building in the BBMP in order to execute this new mandate.

Housing

- 9.16. Affordable and adequate housing is among the most serious problems faced by the urban poor in Bangalore. A comprehensive solution to this problem requires that urban land markets be structured in such a way that the needs of all sections of society are met through regulatory mechanisms. The development permissions granted by the Planning authorities discussed in Chapter 5 are critical to ensure the development of such land markets.
- 9.17. The XII Schedule to the Constitution confers extensive power, and imposes obligations, on the Municipality to upgrade and improve slums and eliminate urban poverty. With rapid and unplanned urbanization taking place in Bangalore, the problem of unauthorized squatters and slums is increasing along with attendant problems of unhygienic living conditions.
- 9.18. There are totally 542 slums in the BBMP area, out of which, 218 declared slums are under the control of the KSCB. The total number of houses planned to be constructed under the JNNURM programme for the 542 slums is around 2,17,000 which corresponds to a population of nearly 1 million. There is no institutional mechanism to coordinate the planning and implementation between the KSCB and the BBMP. The division of roles and responsibilities between these two institutions needs further clarity and, perhaps, redefinition. The institutional mechanism within the BBMP to deal with basic services to the urban poor is weak. The BBMP has a welfare department that is not actively involved in slum redevelopment.

After redevelopment by the KSCB the slums are handed over to the BBMP for operation and maintenance. *The Committee recommends that the BBMP be given the responsibility and resources to carry out slum redevelopment activities. Where the KSCB functions in the BMR, this must be under the overall direction of the BBMP and the MPC.*

- 9.19. The responsibility to provide adequate housing to different classes, including weaker sections in the State, is distributed between the KHB and the Rajiv Gandhi Rural Housing Corporation. The BDA operates in the housing sector through its sites and services schemes. In order to develop a comprehensive public housing policy which integrates, layout development, land use regulations, housing for weaker sections and slum improvement the *Committee recommends that the BBMP be given overall power and responsibility as provided under the XII Schedule. We further recommend that the MPC formulate a comprehensive public housing policy and an adequate institutional frame work to coordinate the activities of these agencies. The BBMP should set up a dedicated department headed by a Special Commissioner to deal with welfare services, including housing for the urban poor.*

- 9.20. As part of the provision of basic services, the BBMP should provide temporary and night shelter for migrant, homeless and destitute persons, including toilet facilities with water supply. The BBMP shall also plan and implement, as part of the slum redevelopment, schemes in respect of education and public health for urban poor.

The Role of Information and Communication

- 9.21. Geo-spatial information systems can add significant value to the planning process. The Committee felt that it would be useful to create an

“information infrastructure” unit in the BMRDA and the BBMP. Such a unit could provide a “visual simulation” to illustrate various development initiatives relating to subjects such as water conservation and pollution. The Committee recognizes that there is a compelling need to ‘connect’ with people on an ongoing basis, especially to explain the complexity of various issues relating to urban governance. Bill Gates rightly articulated in a recent address that the *“barrier to change is not too little caring; it is too much complexity.”* A key question that must engage us is how we educate the public, especially the younger generation to develop the right perspective in understanding the complexity of civic issues, as the city grows.

9.22. Secondly, the Committee noted that “communications infrastructure” is likely to complement “transport infrastructure” in a fundamental way over the next decade, as “broadband” becomes widely prevalent. Municipal Network Infrastructure (MUNI) is emerging as an important area of communications, globally. The same will have implications for transport, traffic management, mobile health delivery, police and law enforcement authorities. The BMRDA and the BBMP will have to keep abreast of these developments and make productive use of these new and emerging technologies.

9.23. The Committee also recommends the widening and deepening of e-governance models within the BBMP for better and more efficient service delivery. Given the vast spread of the city, and, the numerous departments entrusted with obligatory and developmental functions, the BBMP would benefit by establishing a Citizens Service Portal. The same would be enabled by solutions, consulting and services by experts in the field of IT software and system implementation support providers,

through a well knit joint partnership. The portal should be responsive and interactive, addressing the needs of citizens, administrators, employees and the corporate sector. Services should be available through an array of interactive forms, secured payment gateways for online payments, online registration, property tax assessment and payments, other billings and by enabling e-tendering processes. The outcomes to be achieved through such integration would be reduction in delivery time for a range of services, provision of on-time anywhere services and whole range of ICT enabled administrative reforms. The Committee is aware that the BBMP has made multiple efforts in e-governance but a holistic framework, having a meaningful and sustainable impact is still largely absent. The recent efforts of the Municipal Corporation of Greater Mumbai and other cities around the world should be studied and emulated.

9.24. Finally, the Committee would like to emphasise the importance of the city government and other organizations engaged in service delivery establishing an interface with the public with a view to communicating their policies and programmes on the one hand, and obtaining a feedback about their own performance, on the other. In the first place, they should have a system of voluntary disclosure of the required information under the provisions of the Right to Information Act. Matters relating to the budget and other important plans and programmes must be placed in the public domain. The disclosure policy of BMRCL in respect of important decisions, milestones etc. of the Bangalore Metro Project has helped in improving public awareness not only about the progress of the project but also problems being encountered.

9.25. Secondly, the local government should become more responsive to people's basic needs and be more sensitive to public opinion. That is why

we have strongly advocated the need to strengthen institutions at different levels. The Committee is of the view that public interface should be promoted through institutional mechanisms rather than *ad hoc* arrangements which may be perceived as being non – representative or exclusive in nature. The provision for nomination in bodies such as BBMP and MPC affords an opportunity to induct experts into the system. This blend of democracy and professionalism should help promote a responsive administration.

CHAPTER – 10

Road map for Legislation

CHAPTER - 10

Road Map for Legislation

- 10.1. In this Report, the Committee has made several recommendations regarding amendments to a number of legislations that are necessary to enable more effective governance in the metropolitan region and the BBMP. It is now considered necessary to summarize the focus of the legislative changes so that they may be seen in a proper holistic manner. Further, as the recommendations of the Committee are comprehensive and interlinked, it is critical that these legislative changes are carried out in tandem. In other words, a piece-meal approach to legislation may not bring about the desired results.
- 10.2. The first set of changes relate to the formation of the MPC and re-orientation of the BMRDA. The current legislative sanction for the MPC lies in the KMC Act, 1976. *The Committee recommends that the legislative sanction for the creation of the MPC should be brought forth in the BMRDA Act. We also recommend that the BMRDA Act be re-named as “Bangalore Metropolitan Area Planning Act” (BMAP) and the nomenclature “BMR” in the definition section be replaced by “Bangalore Metropolitan Area”, (BMA) and defined as the area recommended by the Committee for the same.* As may be recalled, the Committee has, in Chapter IV, Para 4.21, recommended that the BMA’s jurisdiction extend to the entire area covering Bangalore Urban, Bangalore Rural and Ramanagaram revenue districts (i.e.; the current area coming under BMRDA).
- 10.3. *The Committee would also recommend that in view of the extended mandate proposed in this Report for the MPC, it should be designated as*

the Bangalore Metropolitan Area Planning Council (BMAPC) (Metropolitan Council) and its creation, size, composition should be spelled out in a separate chapter (on the lines proposed in chapter – 4) in the proposed BMAP Act, replacing the sections dealing with the composition and membership of the BMRDA.

- 10.4. *The BMAP Act may provide for a separate executive arm of the BMAPC to be called the Bangalore Metropolitan Planning Board (BMPB) which will be headed by the Metropolitan Commissioner and will have technical, administrative and financial divisions manned by suitable personnel with requisite qualifications and experience. The BMPB will be the Secretariat of the BMPC. It will also have branch offices in the BMA for carrying out the enforcement functions.*
- 10.5. *The recommendations of the Committee with respect to the BDA call for suitable amendments to the BDA Act, 1985 (after taking view on the recommendation to restructure BDA as a company under the Companies Act). Given the Committee's recommendation to relieve the BDA of its regulatory functions, it would be desirable to rename the Act the Bangalore Metropolitan Development Authority Act (BMDA). Section 2 (c) of the BDA Act defining its jurisdiction as the Bangalore Metropolitan Area should be amended in the BMAP Act to extend the jurisdiction of the BMDA to the entire enlarged, revised metropolitan area. Provisions relating to regulatory control (section 67 of BDA Act,) should to be deleted and correspondingly introduced in a proper manner in the new BMAP Act. Section 81-B of KTCP Act, must also be suitably modified or deleted to empower the BMRDA / MPC with planning and regulatory functions, in BMR, in lieu of BDA.*

- 10.6. The third important set of legislative changes relate to the BBMP: *The Committee is clearly of the view that there should be a separate new legislation for the BBMP (to be called the Greater Bangalore Municipal Corporation Act) so as to remove it from the purview of the KMC Act.* While the new Act could be modelled on the relevant features of the Karnataka Municipal Corporation (KMC) Act, it would need to incorporate new provisions to give shape to the political and administrative changes recommended by the Committee in Chapter VI of this report.
- 10.7. *Likewise, necessary changes would be required in the BWSSB Act in accordance with the jurisdiction and responsibilities that have been recommended in Chapter VII of the report. It could be renamed as the Bangalore Metropolitan Water and Sewerage Board (BMWSB).*
- 10.8. Finally, required amendments (spelt out earlier in the report) should be brought about in the KTCP Act as well as the KLR Act to accommodate for the revised planning responsibilities, to the BBMP, ULBs and the MPC.
- 10.9. *In view of the substantive and simultaneous legislative changes involved, the Committee would recommend drafting of the amendments in a consistent manner so that it can be taken forward for approval, by the Legislature, combined. As the objectives of the proposed amendments have been clearly laid down in the present report, the drafting of necessary amendments could be done in a period of three months, by entrusting the task to a suitable agency.*

A N N E X U R E - I

Proceedings Of The Government Of Karnataka

Sub.: Constitution of an Expert Committee for planned development of Bruhat Bangalore Mahanagara Palike

PREAMBLE:

Bangalore has registered impressive economic and demographic growth particularly during the last two decades and has emerged as a leading metropolitan city of India. It has been hailed not only as the I.T. Capital of the Country, but also as a global technological hub. It houses many centers of excellence in Science, Engineering, Medicine, Law and Management. Bangalore is also a major industrial center producing high quality electronic components, auto components, machine tools, garments etc. In recent years, Bangalore has also emerged as a center for specialized health care and high end research and design.

With the accelerated pace of urbanization, Bangalore has been experiencing constraints with respect to adequacy of infrastructure facilities as well as delivery of urban services which could seriously impinge upon its future growth and development. With the proposal to create the Greater Bangalore Municipal Body initiated under G. O. No. UDD 92 MNY 06 dated 02.11.2006, it has become necessary to design and develop a seamless, effective and well coordinated management structure not only for the proposed Greater Bangalore Municipal Body but also for the entire Bangalore Metropolitan Region (BMR). The existing development and regulatory institutions need to be reviewed and restructured so as to define their relationship more meaningfully with reference to the Urban Local Bodies within BMR. There is also a need to consider a new framework for governance that would be faithful to the tenets of the 74th Constitution Amendment. Given the primacy of Bangalore in the economic development

of Karnataka and rapid urbanization expected in the coming years in the peri urban areas constituting the metropolitan region, Government are of the view that a new comprehensive legislation is essential that would deal with the development and regulation of the Bangalore Metropolitan Region. These issues and concerns need to be deliberated by a committee of experts who may submit recommendations to Government. Hence the following order:

ORDER No. UDD 86 MLR 2006 (4)
BANGALORE, Dated 02.11.2006

1.46 For the reasons and purpose cited in the preamble, Government are pleased to constitute an Expert Committee with the following members:

Members:

1)	Dr. K.Kasturirangan, M.P., # 202/2, 19 th Cross, 6 th Main, Malleshwaram, Bangalore – 560 055	....	Chairman
2)	Dr. A. Ravindra, Former Chief Secretary, Government of Karnataka, Deputy Chairman, State Planning Board, M. S. Buildings, Bangalore	....	Member
3)	Dr. Samuel Paul, Public Affairs Centre, # 422, 80 feet Road, IV Block, Koramangala, Bangalore – 560 055	....	Member
4)	Dr. S. Sadagopan, International Institute of Information Technology Bangalore (IIITB) 26/c, Opp. Infosys I Gate, Electronic City, Hosur Road, Bangalore	....	Member
5)	Sri K.C.Sivaramakrishnan, IAS (Retd.), 24, Aradhana Enclave, Sec – XIII, R. K. Puram, New Delhi – 66	....	Member

1.47 The broad terms of reference of the Expert Committee are as follows:

- a. To review the administrative structures and legal framework currently operative within the BMR. This will involve an appraisal of the role and functional responsibilities of Urban Local Bodies and parastatals in the BMR.
- b. The reoriented / reorganization of the institutional framework and, if necessary, recommend alternative models for effective governance having regard to the tenets of the 74th Constitutional Amendment Bill.
- c. With reference to the proposed creation of Greater Bangalore Municipal Body the Committee shall examine and suggest measures necessary to ensure effective governance within the newly expanded Local Body.
- d. The Committee may refer to the recommendations of the Committee on Urban Management of Bangalore (1997) and suggest those which can be adopted with or without modifications.
- e. To make recommendations regarding the structure of the new legal framework for governance in the Bangalore Metropolitan Region which would cover all ULBs as also other organizations such as BDA, BMRDA, BWSSB etc. and spell out the coordination mechanisms and accountability of such bodies to the Urban Local Bodies in the BMR.

1.48 The Committee shall interact with the following Secretaries / Secretariat as also heads of departments / institutions / Local Bodies during the course of their deliberations:

- a. Principal Secretary to Government, Finance Department
- b. Principal Secretary to Government, RD & PR Department
- c. Principal Secretary to Government, Transport Department
- d. Principal Secretary to Government, Home Department
- e. Principal Secretary to Government, Revenue Department
- f. Principal Secretary to Government, Housing Department
- g. Secretary to Government, Law Department
- h. Secretary to Government, Urban Development Department (M&U)
- i. Commissioner, Bangalore Mahanagara Palike,
- j. Metropolitan Commissioner, BMRDA
- k. Chairman / Commissioner, BDA
- l. Chairman, BWSSB
- m. Managing Director, KUIDFC
- n. Director of Municipal Administration

1.49 The Committee may also interact with such stakeholders, who they consider desirable and relevant in the interest of fulfilling the aforesaid mandate.

1.50 The Principal Secretary, Urban Development Department, will be the Convener of the Committee.

1.51 Karnataka Urban Infrastructure Development & Finance Corporation (KUIDFC) will provide requisite secretariat assistance to the Committee.

1.52 The Expert Committee shall submit its recommendations within a period of 8 weeks.

1.53 Separate instructions will issue regarding TA, sitting fees in accordance with relevant rules.

By Order and in the name of
Governor of Karnataka

Sd/-
(B. G. Wali),
Under Secretary to Government,
Urban Development Department

To,

The Compiler, Karnataka Gazette for publication.

Copies

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- 4) The PS to Hon'ble Deputy Chief Minister and Finance Minister, Government of Karnataka
- 5) To all the above members
- 6) The PS to Principal Secretary to Government, Urban Development Department
- 7) The PS to Secretary to Government, Urban Development Department
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A N N E X U R E - I I

EVOLUTION OF BANGALORE

- 1) Bangalore, the Capital of Karnataka, is the fifth largest metropolitan city in the country. Till January 2007, the Bangalore Mahanagara Palike (BMP) had an area of 226 sq. km. Adjoining it were seven City Municipal Councils (CMCs) and one Town Municipal Council (TMC) covering an area of about 300 sq.km. These 8 ULB's as well as around 110 surrounding villages were merged into the Bruhat Bangalore Mahanagara Palike in January 2007.
- 2) Bangalore is situated in the southeast of Karnataka, at an average elevation of 920m above mean sea level. The topography of Bangalore is flat except for a ridge in the middle. The highest point in Bangalore is Doddabettahalli, which is 962 msl on this ridge. There are no major rivers flowing through the City. The river Arkavathi, a tributary of the Kaveri, passes near Nandi Hills, 60 km north of Bangalore, while the river Kaveri has its nearest approach near Srirangapatnam, 110 kms southwest of Bangalore. Bangalore has a number of freshwater lakes and water tanks, such as Madivala Tank, Hebbal Lake, Ulsoor Lake, Sankey Tank etc.
- 3) Due to its elevation, Bangalore enjoys a pleasant climate throughout the year, with temperatures ranging between 33°C and 16°C. Bangalore receives adequate rainfall of about 860 mm from the Northeast and Southwest Monsoons. The wettest months are August, September and October.
- 4) Bangalore experienced rapid growth in the decade 1941-51, and by 1961 it became the sixth largest city of the country. The population of Bangalore was 56.86 lakh as per 2001 census. As per the latest Master Plan (2015) of the BDA, the estimated population of the metropolitan area is 61.70 lakh.

The rapid evolution of Bangalore from a town to a metropolis has been mainly a result of the following:

- ◆ Shifting of the State Capital from Mysore;
 - ◆ Establishment of the Cantonment;
 - ◆ Setting up Public Sector Undertakings/Academic Institutions;
 - ◆ Development of Textile Industry; and
 - ◆ Development of Information Technology/ITES/Biotech based industries.
- 5) In the decade 1991-2001, the growth rate of urban population in Karnataka was 28.85%, as against the aggregate population growth rate of 17.25%. Bangalore grew at a much faster rate, and the population of Bangalore increased from 41.30 lakh to 56.86 lakh during this decade representing a decadal increase of 37.7%, which made Bangalore the second fastest growing city, after New Delhi (51.93%). About one third of the population increase in the Bangalore region is on account of the new areas added to the Bangalore urban agglomeration. Adjusting this factor, the net increase in population during 1991-2001 was approximately 22%. As per the 2001 census, the literacy rate is 86% and the sex ratio 906.

Contribution to Karnataka's Economy

- 6) The city of Bangalore is a key contributor to the economic growth of the State. Its contributions are substantial and its potential even greater. The city has a large pool IT Professionals, which forms 1/3rd of the total IT resource base of the country. According to the UNDP Survey Report 2004, Bangalore is acknowledged as a global IT hub, along with Silicon Valley, Boston and London. Salient features of Bangalore's economy are summarized below:

- ◆ While the area of metropolitan Bangalore is less than 0.5% of the area of the State, it contributes 75% of the corporate tax collection, 80% of sales tax collection, and 90% of luxury tax collection in the State.
- ◆ More than 11% of the FDI in the country comes to Bangalore, which ranks only next to Delhi and Mumbai as an investment destination.
- ◆ In 2006-07, more than 187 IT and 56 Biotechnology companies setup establishments in Bangalore.
- ◆ The city has *seen* a five-fold growth of state tax revenues during the period 1990-2003, which is unparalleled in the country.

Industrial Scenario

- 7) Bangalore is the headquarters to several large public sector industries such as the Hindustan Aeronautics Limited (HAL), National Aerospace Laboratories (NAL), Bharat Heavy Electricals Limited (BHEL), Bharat Electronics Ltd. (BEL), Bharat Earth Movers Limited (BEML), Indian Telephone Industries (ITI), Hindustan Machine Tools (HMT) etc. In June 1972, the Indian Space Research Organization (ISRO) was established under the Department of Space and headquartered in the City.
- 8) Bangalore is called the “Silicon Valley” of India because of the large number of Information Technology companies located in and around the city. Infosys and Wipro, India’s 2nd and 3rd largest IT companies are headquartered in Bangalore. There are around 1908 IT companies in Bangalore contributing approximately US \$ 12.2 Billion, (Rs.54,000 Crore) towards India’s exports (2006 – 07).
- 9) Bangalore is also India’s largest hub of Biotechnology companies with around 207 companies located in the city which forms more than half of the number of Biotech companies in the country. Biocon, the nation’s leading Biotechnology company is also headquartered in Bangalore.

Biotechnology companies contribute US \$215 million (2006-07) to India's exports.

Infrastructure Status

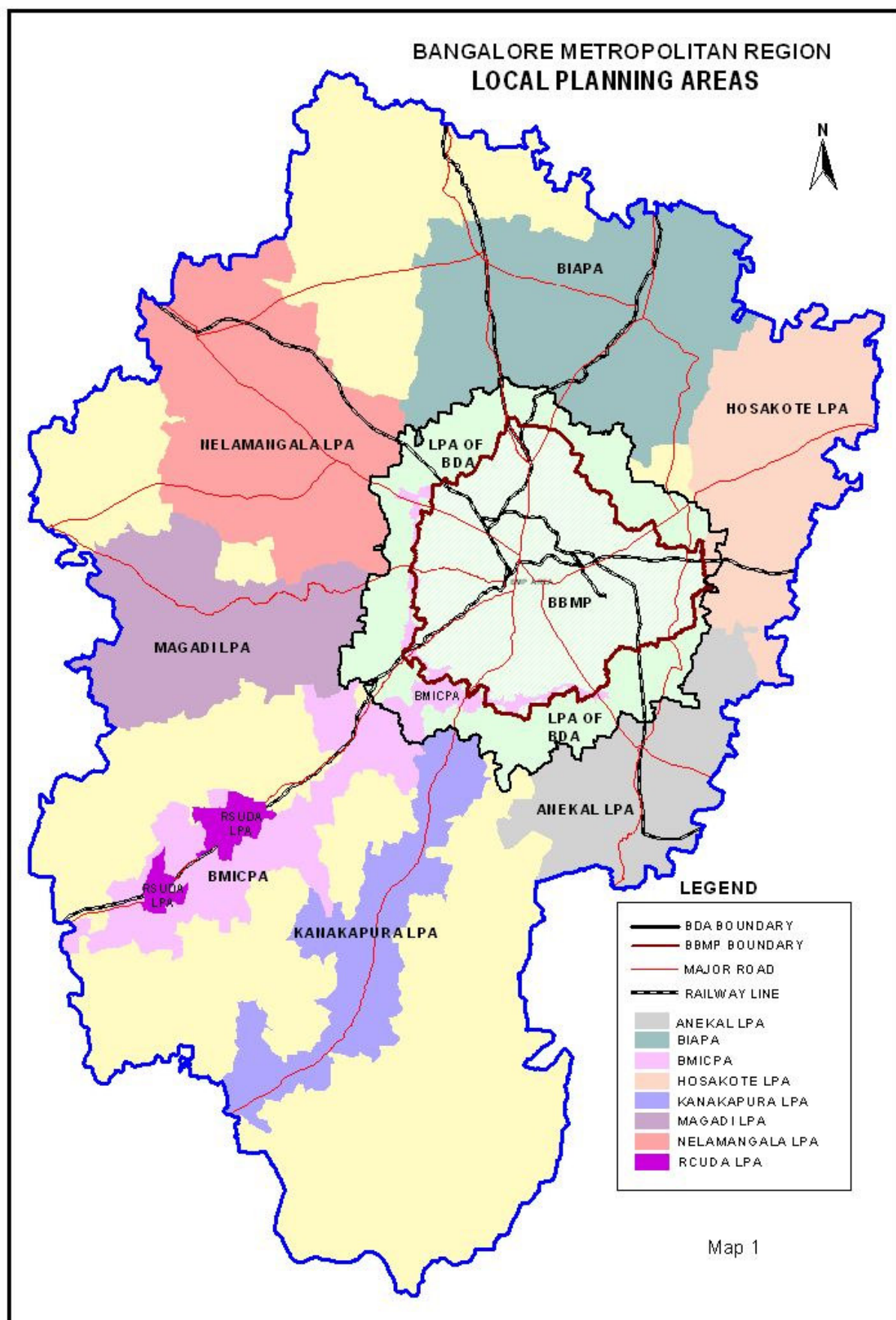
- 10) The rapid growth of Bangalore has placed a great strain on the civic and infrastructure services of the city which was not planned to cope with such exponential growth. The infrastructure status is profiled as follows:
- ♦ **Water supply:** The availability of raw water at about 140 lpcd is adequate, though the draw distances are increasing progressively. UFW is high, and distribution is uneven – being better in the BMP areas and poor in the peripheral areas.
 - ♦ **Storm water Drainage:** Drainage is an area of concern, with the natural drainage system (Valleys) being built upon in the city
 - ♦ **Transport:** Rising traffic congestion is one of the key issues in the City. Though the length of roads available is good, the problem lies with the restricted widths. BMTC is perhaps the best bus transport corporation in the country, but the absence of a mass rapid transport system is being felt as the population and economic activities grows. The BMRCL will have the 1st phase of the Bangalore Metro ready by 2011.
 - ♦ **SWM:** Collection and transportation coverage is quite adequate but proper treatment/ disposal facilities are lacking.
 - ♦ **Green Areas & Water bodies:** The City has a tradition of being a "Garden City" with plenty of green spaces and water bodies. However, the high growth rate of the past two decades is having an adverse impact on the quality of these spaces.

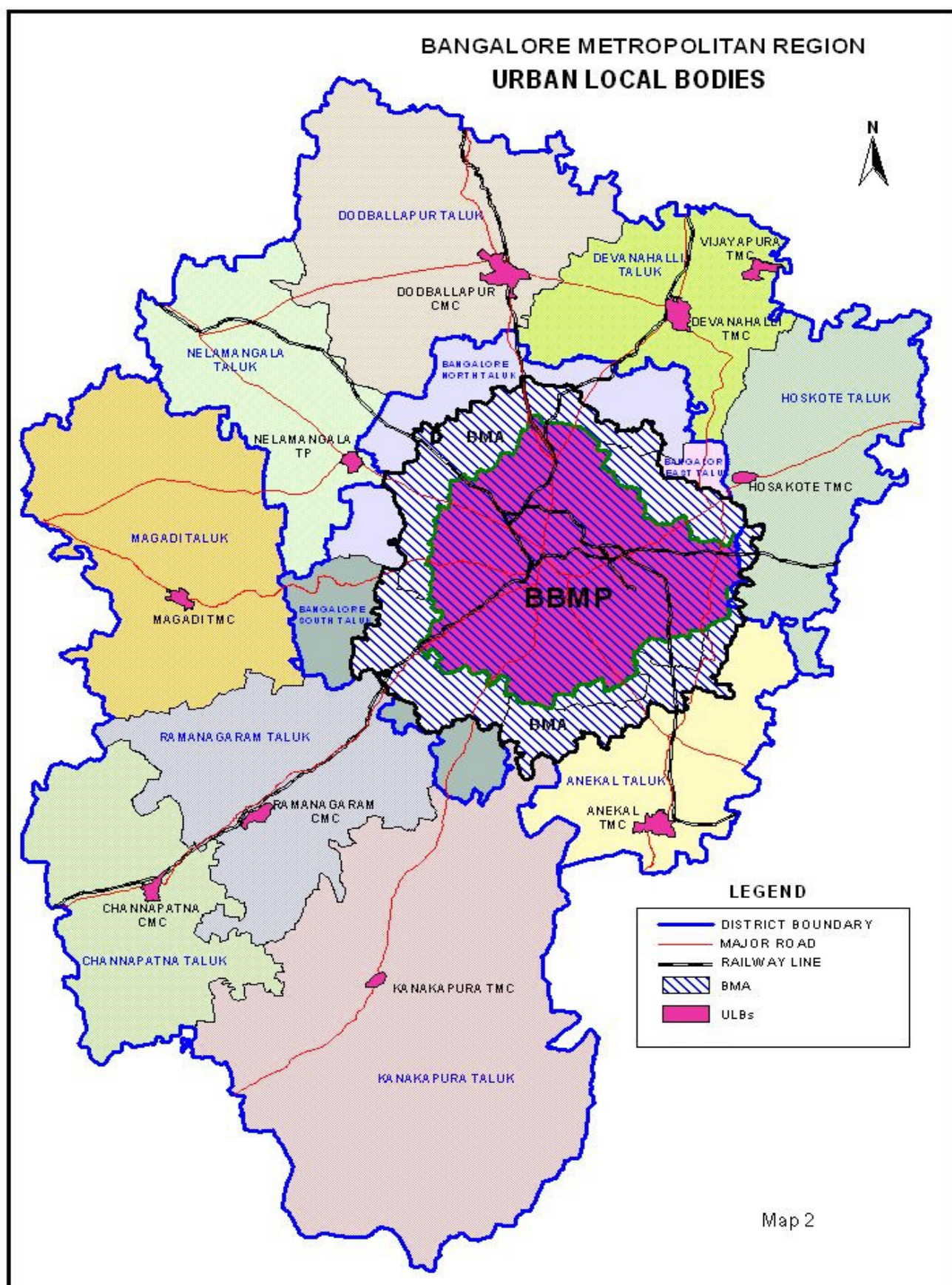
Governance Structure and Governance Institutions in Bangalore

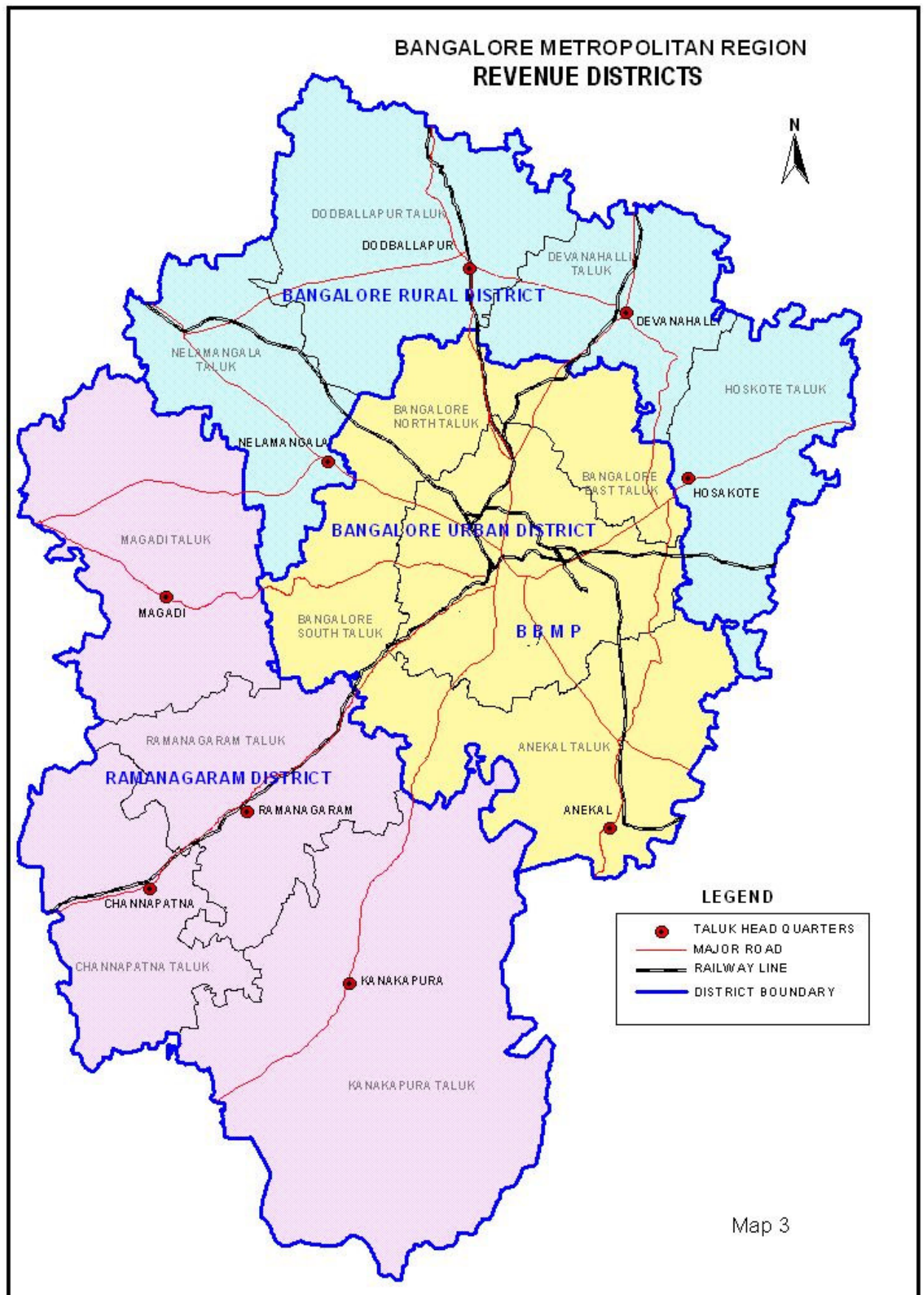
- 11) While many urban and rural local bodies have been recently merged to form the Bruhat Bangalore Mahanagara Palike, an ordinary citizen still needs to interact with a number of statutory bodies / agencies, apart from the BBMP for various needs such as electricity, water etc.
- 12) The following paras outline the significant jurisdictional boundaries and identify the authorities who are responsible for various functions within

these boundaries such as planning, infrastructure development and services, in the Bangalore region. This overview is vital to understand the structure and interplay of institutional mechanisms as also their complexities and weaknesses.

- 13) The Bangalore Metropolitan Region is land mass of approximately 8000 sq. kms. comprising 3 revenue districts (Bangalore Urban, Bangalore Rural and Ramanagaram). The region has 9 LPAs including the BMA, 11 ULBs and 329 rural local bodies (see maps 1, 2 and 3).
- 14) We will now briefly describe the legal and governance arrangements in all the key institutions responsible for development and regulation of Bangalore.





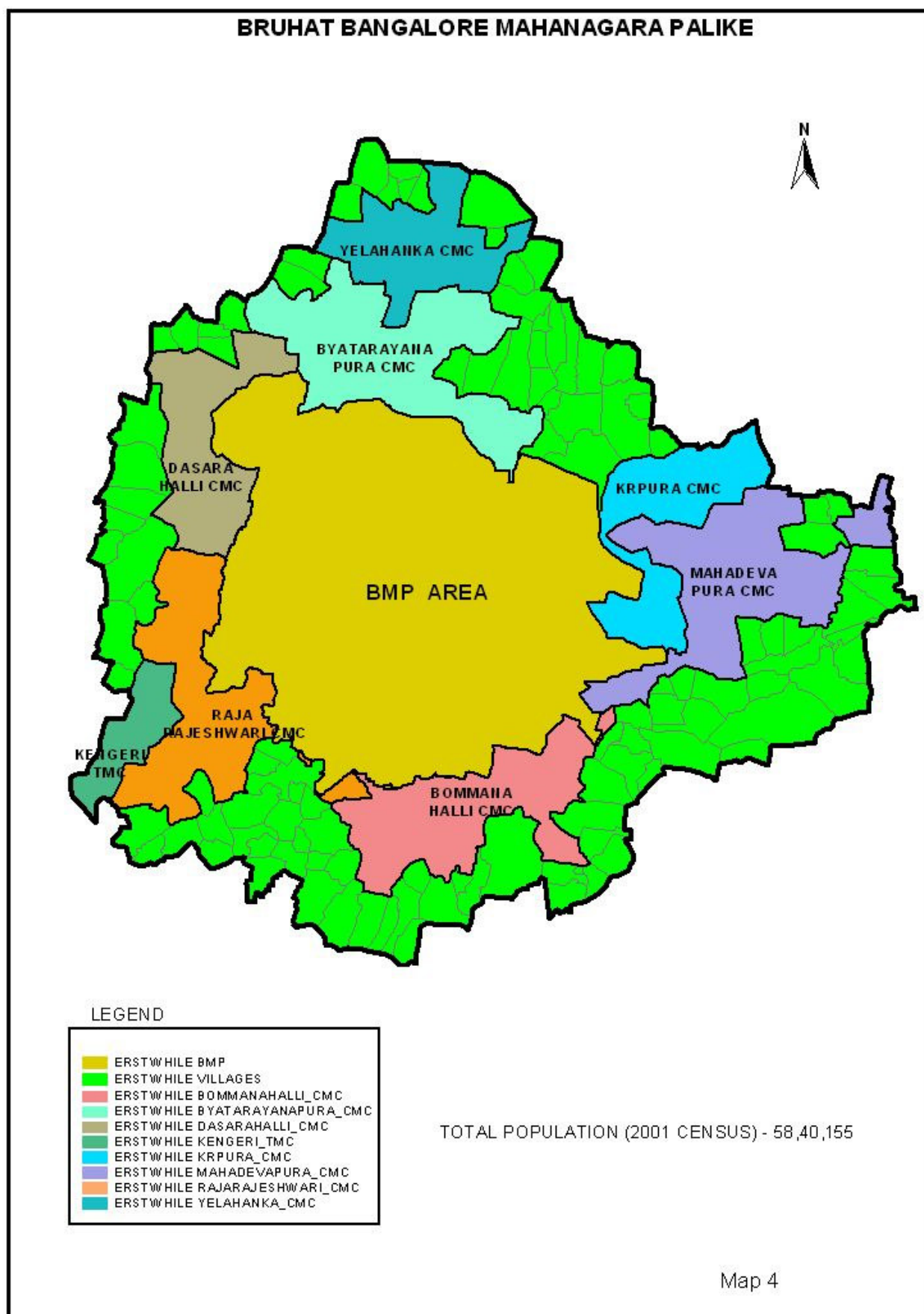


The Bangalore Metropolitan Region (BMR)

- 15) The BMR is made up of the area coming under Bangalore Urban, Bangalore Rural and Ramanagaram Districts extending to around 8022 sq. kms. The BMRDA is the nodal agency which oversees the implementation of the Structure Plan of this area. Prior to the creation of BBMP and Ramanagaram District, there were 19 ULBs (including BMP) and 338 Gram Panchyats in the BMR apart from 12 Taluk Panchyats and 2 Zilla Panchyats. After the formation of BBMP, the number of ULBs got reduced to 11 and the number of Grama Panchayts also got reduced. The formation of Ramanagaram district increased the number of Zilla Panchayats into 3. The key statute administered by BMRDA is the BMRDA Act, 1985. [A ready reckoner on the structure and functions of BMRDA may be seen in **Table 1**].

The Bangalore Metropolitan Area (BMA)

- 16) The BMA covers an extent of 1307 sq.km, occupying most of the area of Bangalore Urban District. The planning and development functions are overseen by the Bangalore Development Authority (BDA) over this area and key Acts administered by BDA are the BDA Act, 1976 and Karnataka Town and Country Planning Act, 1961 (KTCP Act). [A ready reckoner on the structure and functions of BMA may be seen in **Table 2**].
- 17) Within the BMA, the largest ULB is the BBMP whose current jurisdiction extends to about 800 Sq. kms. All functions of the municipal corporations under KMC Act, 1964 are administered by BBMP. [A ready reckoner on BBMP may be seen at **Table 4**].



- 18) As stated earlier, the BMR comprises three revenue districts (Bangalore Urban, Bangalore Rural and Ramanagaram), 12 Tahsils, and 3 Revenue subdivisions. While these entities are responsible for administering a number of Acts, the main Act regulating the use of agricultural lands is the Karnataka Land Revenue Act administered by the Revenue department.

Water Supply

- 19) The Bangalore Water Supply and Sewerage Board (BWSSB) was set up under the BWSSB Act, 1964 and its jurisdiction extends to the Bangalore Metropolitan Area. The water supply and sewerage services are being provided to the city of Bangalore and such areas outside of the city that are being developed by BDA. Very recently, under the GBWASP, a water supply distribution network is being established through BWSSB in the city area covered by the erstwhile 7 CMCs / 1 TMC around Bangalore (now a part of BBMP). Under KMRP, a World Bank assisted project, UGD is being provided to the same area by BWSSB. In the remaining ULBs in the BMR, the main agency for water supply distribution is the KUWS & DB. [A ready reckoner on the structure and functions of BWSSB may be seen in **Table 3**].

Transport

- 20) The Bangalore Metropolitan Transport Corporation (BMTC) is the major organization providing urban road transport solution in the Bangalore City and surrounding areas, while KSRTC provide key inter city service in the BMR [Highlights of the activities of BMTC may be seen in **Table 6**].

Police

- 21) There are 8 police districts in the BMR administering the Karnataka Police Act and other statutes. For Bangalore city, there is a Commissionerate headed by the Commissioner of Police having 6 police districts headed by Deputy Commissioner of Police. Further there are two police district one each for Bangalore Rural and Ramanagaram districts.

Electricity

- 22) Entire electricity infrastructure and services in BMR including BBMP and all the ULBs is provided by the Bangalore Electricity Supply Company (BESCOM).

Industrial Development

- 23) The Karnataka Industrial Area Development Board (KIADB) is the statutory body created by the Karnataka Industrial Areas Development Act 1966, empowered to acquire land for industrial and infrastructural uses and entrusted with the task of development of industrial areas. The Board has developed 23 industrial areas spread over 18,292 acres in the BMR region so far. Important industrial areas developed by KIADB in the BMR region include Peenya (1485 acres), Bommasandra (2131 acres), Electronic City (341 acres), Export Promotion Industrial Park (540 acres), Jigani (649 acres), Bidadi (1192 acres), Hosakote (402 acres), Dobbspet (339 acres), Kumbalgud (218 acres), Doddaballapur (528 acres), etc. Large industrial areas of over 13,056 acres are currently under development at Harohalli, Dobbspet, Sarjapura, Bagalur, Ganapathihalli, Kaggalahalli and other locations in the BMR region..

- 24) With a view to facilitate provision of proper municipal services in the industrial zones / areas, amendments to Karnataka Municipalities Act 1964 was effected by inserting Section 364, providing for formation of “**Industrial Townships**”. However, actual delineation and formation of industrial townships have not taken place so far

District & Metropolitan Planning Committees

- 25) The 74th Amendment to the Constitution provides for constitution of District and Metropolitan Planning Committees (Article 243 ZD and 243 ZE). District Planning Committees have already been created in the State under Section 310 (A) of Karnataka Panchayat Raj Act, 1993. Since Bangalore has a population of over 10 lakhs as per 2001 census, it is required to have a Metropolitan Planning Committee. The Metropolitan Committee, however, is yet to be constituted.

T A B L E - 1

Bangalore Metropolitan Region Development Authority [BMRDA]

1.1	Introduction:	BMRDA is a statutory body constituted under the provisions of the Bangalore Metropolitan Region Development Authority Act, 1985 and entrusted with the tasks of planning, co-ordinating and supervising the proper and orderly development of the Bangalore Metropolitan Region [BMR] and to provide for matters connected therewith.
1.2	Objective	Planning, co-ordinating and supervising the proper and orderly development of the area within the Bangalore Metropolitan Region and take up developmental schemes.
1.3	Jurisdiction	BMRDA has jurisdiction over the Bangalore Metropolitan Region, which includes the whole of the Bangalore Urban District and the Bangalore Rural District, measuring in all about 8,022 sq. kms. with the population of 8.42 million (2001 census).
1.4	Local Planning Areas	<p>The following are the Local Planning Authorities (LPAs) coming under the Bangalore Metropolitan Region.</p> <ul style="list-style-type: none"> • Bangalore Development Authority (BDA) – 1307 Sq.Kms viz; Bangalore Metropolitan Area – (BMA) • Bangalore International Airport Area Planning Authority (BIAAPA) – 985 Sq.km • Nelamangala Planning Authority – 735 Sq.Kms • Magadi Planning Authority – 501.52 Sq.Kms • Kanakapura Planning Authority – 412 Sq.Kms • Ramanagaram – Channapatna Urban Development Authority – 63 Sq.Kms • Bangalore – Mysore Infrastructure Corridor Area Planning Authority (within BMR) – 311 Sq.Kms • Anekal Planning Authority – 403 Sq.Kms • Hoskote Planning Authority – 535 Sq.Kms
1.5	Organisation	<p>Authority:- The Chief Minister of Karnataka is the Chairman of the Authority. The Minister in-charge of Urban Development is the Vice-Chairman and Secretaries to the State Government and Heads of several related departments / organizations are members of the Authority. The Act also provides for nomination by the Government of individuals representing labour, women, scheduled castes / tribes, members of State Legislature and representatives of the Local Authorities in the Region. The Metropolitan Commissioner is the Member Secretary of the authority.</p> <p>Executive Committee:- Minister in-charge of Urban Development is</p>

Chairman and the Metropolitan Commissioner as Vice-Chairman. The Mayor of Bangalore and certain Secretaries to government and Heads of Departments are members of the EC. The management of the affairs of the Authority is vested with the Executive Committee.

1.6 Powers & Functions

To carry out a survey of the Bangalore Metropolitan Region and prepare reports on the surveys so carried out.

Functions (Section-9):

- To prepare a "Structure Plan" for the development of the Bangalore Metropolitan Region.
- To cause to be carried out such works as are contemplated in the "Structure Plan".
- To formulate as many "Schemes" as are necessary for implementing the Structure Plan of the Bangalore Metropolitan Region.
- To secure and co-ordinate execution of the town planning scheme and the development of the Bangalore Metropolitan Region in accordance with the said schemes.
- To raise finances for any project or scheme for the development of the Bangalore Metropolitan Region and to extend assistance to the local authorities in the region for the execution of such project or scheme.
- To do such other acts and things as may be entrusted by the Government or as may be necessary for, or incidental or conducive to any matters which are necessary for furtherance of the objects for which the Authority is constituted.
- To entrust to any local authority the work of execution of any development plan or town planning scheme.
- To co-ordinate the activities of the Bangalore Development authority, the Corporation of the City of Bangalore, the Bangalore Water Supply and Sewerage Board, the Karnataka Slum Clearance Board, the Karnataka Power Transmission Corporation Limited the Karnataka Industrial Areas Development Board, the Karnataka State Road Transport Corporation and such other bodies as are connected with developmental activities in the Bangalore Metropolitan Region.

Regulation of developments (Section 10):- No development can be taken up in the BMR region, without the prior approval of the Authority.

Directions by the Authority (Section- 18) :- In connection with any developmental schemes taken up by the Authority or any town planning scheme, the Authority is empowered to issue directions to BDA, BWSSB, KPTCL / BESCOM and such other bodies.

Section- 81-C of the KTCP Act 1961:- The Authority is empowered to

		exercise the powers and discharge the functions of Director of Town Planning, within the jurisdiction of BMR.
1.7	Structure Plan	The BMRDA has prepared a “Structure Plan” based on the availability of natural resources, future prospects, infrastructure and the trend of urbanization in the region. As per the “Structure Plan”, the areas suitable for urbanization have been categorized as Area Planning Zones (APZ). Areas where agriculture is a predominant occupation and / or forestry is abundant, conservation has been stressed and such areas have been classified as Interstitial Zones (IZs). The Structural Plan is placed on the website – www.bmrda.kar.nic.in
1.8	Approval of Layouts	The BDA and the other LPAs accord approval to the layouts in their respective LPA jurisdiction. For the areas where the Planning Authorities are not constituted, the BMRDA performs this function
1.9	Finance	The main source of funds of the BMRDA are as follows: <ul style="list-style-type: none"> i) Grant-in-aid and other subventions received from the State Government to meet administration expenditure etc. ii) Internal resources of the Authority such as receipts arising from the sale of application forms and regulations and fees collected for the approval of layout plans in BMR region. iii) Loans raised with prior approval of the Government.
1.10	Major Projects taken up	<ol style="list-style-type: none"> 1) Satellite Town Ring Road – STRR (204 kms) connecting major taluk head-quarters. 2) Intermediate Ring Road – IRR (175 kms) connecting major growth centres. 3) Five new Integrated Townships at Bidadi, Ramanagaram, Sathanur, Solur and Nandagudi . (Radial Roads (RR) 185 kms) 4) Preparation of “Interim Master Plan [IMP]” for five local planning areas of Anekal Hosakote, Kanakapura, Magadi & Nelamangala, submitted to Government for approval (final) after hearing public objection. 5) Preparation of “Base Maps” of five existing towns of Anekal, Hosakote, Kanakapura, Magadi & Nelamangala, completed. 6) Dedicated Road Expressway from the Outer Ring Road (ORR) of the city to the New International Airport at Devanahalli.

T A B L E - 2

Bangalore Development Authority [BDA]

1.1	Introduction:	BDA is a statutory body constituted under the provisions of the Bangalore Development Authority Act, 1976 and entrusted with the tasks of planning, co-ordinating and supervising the proper and orderly development of the Bangalore Metropolitan Area [BMA] of area of 1300 sq.kms and to provide for matters connected therewith. It is the successor to the erstwhile City Improvement Trust Board (CITB).
1.2	Objective	Planning, co-ordinating and supervising the proper and orderly development of the area within the Bangalore Metropolitan Area and take up developmental schemes.
1.3	Jurisdiction	BDA has jurisdiction over the 1307 sq.kms of the Bangalore Metropolitan Area, which includes the Bangalore North / South / East and parts of Anekal and Hosakote Talukas, with the population of 5.60 million (2001 census).
1.4	Organisation	Authority:- Consist of a Chairman, Commissioner, one full time Member each with Finance, Town planning & Engineering background, Commissioner-BMP, nominees of BWSSB, KPTCL / BESCOM, KSRTC, nominees from the categories of MLAs, / MLCs, SC/ST, Labour, BMP councillors and an Ex-officio member as Secretary.
1.5	Powers & Functions	<p>To carry out a survey of the Bangalore Metropolitan Region and prepare reports on the surveys so carried out.</p> <ul style="list-style-type: none"> • To formulate and implement “Development Schemes” for the Bangalore Metropolitan Area (Section-15). • With in any specified area of BMA, the Authority empowered to exercise powers and functions under the Karnataka Municipal Corporations Act 1976 for a specified period (Section-29) • Authority empowered to acquire land by agreement or otherwise (Section 35 & 36) • To raise finances for any project or scheme for the development of the Bangalore Metropolitan area and for the execution of projects / schemes (Section 39 to 41). • Directions by the Authority (Section- 18):- In order to carry out the purpose of the BDA Act 1976, the Authority is empowered to issue directions to BWSSB, KPTCL / BESCOM and such other bodies. • Section- 81-B of the KTCP Act 1961:- The Authority is empowered to exercise the powers and discharge the functions as Local Planning Authority within BMA.
1.6	Master Plan	BDA is the Planning Authority for the Bangalore Metropolitan Area of 1307 sq.kms and has been preparing and notifying Master Plan in terms of section 13 of the Karnataka Town & Country Planning act, 1961. The

Master Plan of 1995 for a period of 10 years had expired in 2005. In June 2005, BDA has prepared and notified a revised Draft Master Plan for the period 2005-2015 and objections / suggestions were invited from public. The final Master Plan 2005-2015 has already been approved by the Government vide G. O. No. UDD 540 Be Ma Se 2004, to an extent of 1219.50 Sq. Km of Local Planning Area.

1.7 Finance

The main source of funds of the BDA are as follows:

- i. Grant-in-aid and other subventions received from the State Government.
- ii. Internal resources of the Authority such as receipts arising from betterment fees / plan approval fees / penalty / misc fees collected for performing the statutory town planning functions.
- iii. Income / profit from development and sale / lease of properties in BDA layouts.
- iv. Loans raised with the approval of the Government.

1.8 Major Projects
taken up

Arakavathi Layout

- i. Flyovers in various parts of the City
- ii. Peripheral Ring Road of 117 kms.

T A B L E - 3

Bangalore Water Supply and Sewerage Board [BWSSB]

- 1.1 Introduction: The **BWSSB** was constituted under an Act of the Karnataka Legislature viz; "The Bangalore Water & Sewerage Sanitary Act 1964" notification on 30th September 1964 and formally came into existence on 2nd October 1964.
- 1.2 Objective Provide water supply and sewerage facilities in the Bangalore Metropolitan Area and other specified areas.
- 1.3 Jurisdiction As above.
- 1.4 Organisation The Chairman and other six members of the Board are appointed by the State Government.
- 1.5 Powers & Functions
1. Providing water supply and making arrangements for the sewerage and disposal of sewage in the existing and developing new regions of Bangalore Metropolitan Area.
 2. Investigating adequacy of water supply for domestic purpose in Bangalore Metropolitan area.
 3. Preparation and implementation of plans and schemes for supply of water for domestic and non domestic purposes within the Bangalore Metropolitan area to the required standards.
 4. Preparation and implementation of plans and schemes for proper sewerage and disposal of sewage of the Bangalore Metropolitan area.
 5. Levy & collection of water charges on "no loss no profit basis."
- 1.6 Unique features **Bangalore is one of the few cities in India, where** filtered water is supplied to the city for over 100 years. Major source of water, River Cauvery is situated at a distance of 100 Kms. and water is pumped against a head of 510 mtrs from the source in 3 stages. Equitable water distribution is maintained and 100% percent metering of water connections is achieved.

Source	Established during	Potential (in MLD)
1) Arakavathi		
a) Hesarghatta	1896	36
b) T.G.Halli	1933	148
2) Cauvery		
a) Stage-1	1974	135
b) Stage-2	1982	135
c) Stage-3	1993	270
d) Stage-4	2002	270
Total		994

- 1.8 Major Projects **Cauvery Stage-IV Phase-1:-** Cauvery Water Supply

Projects
completed

scheme stage IV phase I taken up with financial assistance from Japan Bank for International Co-Operation, Japan. The Project was commissioned during 2002. The cost of the project was Rs.1072 crores as under :

Rs. In crores	
1) State Government (loan)	134.00
2) BDA (grant)	33.50
3) B'lore Mahanagara Palike (loan)	33.50
4) BWSSB	67.00
5) Japan Bank of International Co-operation	804.00
Total	1072.00

New projects
taken up

- 1) Cauvery water supply scheme (CWSS) Stage IV, Phase II to augment additional 500 MLD water from Cauvery source by the year 2011. Estimated cost Rs.3383.00 crores.
- 2) GBWASP – Providing water supply to former 8 ULBs' surrounding Bangalore Estimated cost Rs.450.00 crores under pooled finance structure. Work nearing completion.

Projects
approved
under
JNNURM

1. Providing sanitation to 4 erstwhile ULBs' viz Yelahanka, Kengeri, R.R. Nagar & Byataranayapura. Project Cost Rs.200 crores.
2. Projects for reuse of waste water for potable purposes in V. Valley at an estimated cost of Rs.471.33 crores. Funding 35% JNNURM, 15% GoK, 50% others.
3. Augmentation of 100 MLD water to provide water to 8 CMC areas utilizing existing pumping units and transmission main, provided under CWSS IV stage. Phase-I at a cost of Rs.12.26 crores. Project commissioned by H.E. the Governor of Karnataka during December 2007.
4. Providing bulk flow meters to distribution system to monitor UFW and also to ensure equitable distribution of water. Cost Rs.15.30 crores.
5. Rehabilitation of trunk sewers in core area to prevent the open flow of sewage in storm water drain. Cost Rs.176.75 Crores.

Projects
proposed under

- i. Providing sanitation to erstwhile ULB's viz. K.R.Puram,

JNNURM

Mahadevapura, Bommanahalli & Dasarahalli at an estimated cost of Rs.450.00 crores.

- ii. Water distribution improvement and UFW reduction at project cost of Rs.494.00 crores.

1.9 Sewerage Systems

At present there are twelve secondary sewage treatment plants and two tertiary treatment plants.

Secondary Sewage Treatment Plants:

1. Vrishabhavathi valley on Mysore Road (180 MLD)
2. Koramangala / Challaghatta valley (248 MLD).
Madivala @ Madivala Lake (4 MLD)
3. Kempambudhi Lake (1 MLD)
4. Hebbal (60 MLD)
5. Kadubeesanahalli (50 MLD)
6. K. R. Puram (20 MLD)
7. Raja Canal (45 MLD)
8. Jakkur (10 MLD)
9. Nagasandra (20 MLD)
10. Mailasandra (75 MLD)
11. Yelahanka (10 MLD)

II. Tertiary Treatment Plants:

1. Vrishabhavathi Valley (60 MLD)
2. Yelahanka (10 MLD)

Sl. No.	Particulars	Existing Level – MLD	Standard Level – MLD
1.	Water supply	860	900
2.	Sewerage flow @ 80% of the water supply	688	720
3.	Treatment capacity of the primary sewage plant	718	720

T A B L E – 3A
Consumption of Water

(in Million Litres)

Sl. No.	Year	Total Receipt of water	Domestic	Non - Domestic	Public Fountains	Others	Total
1.	1996 – 1997	201154.34	70325.59	9000.17	54911.93	657.00	145133.99
2.	1997 – 1998	209604.69	70815.00	18656.13	54911.93	650.39	145307.53
3.	1998 – 1999	224005.80	76863.53	19714.05	54911.93	648.07	152395.67
4.	1999 – 2000	236419.81	81504.17	20282.32	55062.31	898.13	157746.93
5.	2000 – 2001	247381.66	87982.08	20681.77	54911.93	955.47	164531.25

T A B L E – 3B

Water Tariff:- The current BWSSB water tariff :-

1. Domestic Section 36(I) filtered Water:

Sl. No.	Category & Consumption	Revised Water Tariff Per Kilo Litre	Minimum Charges
I	Domestic (Section – 36(I))		
	1. 0-8000	6.00	48.00
	2. 8001-25000	9.00	201 .00
	3. 25001-50000	15.00	676.00
	4. 50001-75000	30.00	1326.00
	5. 75001-100000	36.00	2226.00
	6. 100000 & above	36.00	5826.00
	Sanitary Charges for domestic connection	(i). Rs. 15.00 at flat rate for consumption of 0 to 25000 liters. (ii). From 25001 to 50000 liters 15% on water supply charges per month. (iii). 20% of water supply charges per month against for consumption of above 50000 liters.	

2. Non Domestic Section-36(IV):

Sl. No.	Slab-wise Consumption of Water (in K. Liters)	Revised Water Tariff Per Kilo Litre	Minimum Charges
I	Non Domestic (Section – 36(IV))		
1.	0-10000	36.00	360.00
2.	10001-20000	39.00	390.00
3.	20001-40000	44.00	750.00
4.	40001-60000	51.00	1630.00
5.	60001-100000	57.00	2650.00
6.	100000 & above	60.00	4930.00
II	Industries	60.00 (per kilo liter)	
IIA	Bidadi Industrial Area	51.00 (per kilo liter)	
III	Lorry Loads	250.00 (per Load)	
IV	Swimming Pools	60.00 (per kilo liter)	
V	Public taps Section 36 VII	3000.00 (per kilo liter)	

3. Sanitary Charges

I	Domestic connection	Rs. 15/- at flat rate for consumption of 0 to 8000 liters and 8001 to 25000 liters
		15% of water supply charges per month for consumption of above 25000 liters upto 50000 liters
		20% of water charges per month for consumption of above 50000 liters
II	All non Domestic Connection	From 10% to 20% of water charges for month
III	For Premises having water supply and UGD connection but supplementing water supply by tanker/borewells. a. Domestic and Apartment b. Non-Domestic	Rs. 50/- per month per individual house per flat Revised from Rs.200 to 300 per month per HP of borewell

IV	Premises not having water supply connection from BWSSB but having only UGD connection IN ADDITION TO SANITARY CHARGES:	
	Hotels having boarding and lodging supplementing water supply by tankers in addition to borewells	Rs.300/- per month
	(i) Non Star Hotels	Rs.1,000/- per month
	(ii) 3 Star Hotels & above	Rs.3,000/- per month
	(iii) 5 star Hotels & above	Rs.10,00/- per month
V	For Hospitals/Nursing Homes supplementing water supply by tankers in addition to borewell	
	(i) Nursing Home & Hospitals having 100 beds	Rs. 2500/- per month
	(ii) Hospitals/Nursing Homes having more than 100 beds	Rs. 5000/- per month

T A B L E – 4

Bruhat Bangalore Mahanagara Palike (BBMP)

1.1	Introduction	BBMP is the second largest Municipal Corporation in India, after Delhi. It is responsible for creation and maintenance of the civic and infrastructural assets of the City of Bangalore. It was formerly known as the Bangalore Mahanagara Palike (BMP).
1.2	Objective	The BBMP represents the third level of local self government mandated under the 74th amendments to the Constitution. It is an Urban Local Body with obligatory welfare functions and other responsibilities. The BBMP is responsible for civic and infrastructural requirements of the city. It works in conjunction with other civic bodies such as BDA, BWSSB, BESCOM & Traffic Police.
1.3	Jurisdiction	BBMP is spread across an area of approximately 800 sq. kms. With a population of 5.8 million as per 2001 census.
1.4	Organisation	BBMP was formed by merging 8 urban local bodies and 110 villages with the erstwhile Bangalore Mahanagara Palike. The BMP was run by a council comprising 100 elected representatives, called 'Corporators', one from each of the 100 wards (localities) of the city. Elections to the Council are held once every 5 years under the KMC Act, with results being decided by popular vote. The Mayor and Deputy Mayor of the Council are also elected for a period of 1 year, though not by popular vote. The post of the Mayor and Deputy Mayor are filled through a quota system and indirect election by corporators.
1.5	Powers & Functions	BBMP's role and responsibilities include the "orderly development of the city" including infrastructure development, building regulations, health, hygiene, trade licensing, education, as well as quality of life issues such as lung spaces, water bodies, parks and greenery (Sections 57 to 70)
1.7	Finance	<p>BBMP has been vested with the powers to levy certain taxes and fees (Section 103). It also receives the State Government grants under the SFC devolution. The main sources of its revenues are from</p> <p>(a) Tax Revenue (tax on building and lands, Advertisement tax)</p> <p>(b) Non-Tax Revenue (License fee for regulating the building construction, trade license fee, lease, rentals and other fees)</p> <p>BBMP can also raise loans from Central and State Governments and Financial Institutions to meet expenditure under capital heads of accounts.</p>

T A B L E – 5

Directorate of Municipal Administration

- | | | |
|-----|---------------------|---|
| 1.1 | Introduction: | <p>The Municipal bodies in Karnataka are governed by the provisions of the</p> <ul style="list-style-type: none"> (i). Karnataka Municipalities Act, 1964 (for City Municipalities, Town Municipalities and Town Panchayats) and (ii). Karnataka Municipal Corporations Act, 1976 (for City Corporations). |
| 1.2 | Objective | <p>Municipal Bodies are the third tier of local self governments mandated under the 74th amendments to the Constitution. They are invested with corporate personality with obligatory welfare functions and optional functions. The administration is through elected representatives.</p> |
| 1.3 | Jurisdiction | <p>As individually notified under the provisions of The Karnataka Municipalities Act, 1964 (Section-3)</p> |
| 1.4 | Organisation | <p>Four categories viz; viz;</p> <ul style="list-style-type: none"> (i) City Corporations, (ii) City Municipalities, (iii) Town Municipalities and (iv) Town Panchayats, depending upon the graded scale of population. (Section 3 & 11 of the Karnataka Municipalities Act, 1964 and Section 3 of the Karnataka Municipal Corporations Act, 1976). <p>At present there are 7 City Corporations, 44 City Municipal Councils, 94 Town Municipal Councils and 68 Town Panchayats in the State.</p> |
| 1.5 | Powers
Functions | <p>& Obligatory functions:-</p> <ul style="list-style-type: none"> (a) supply of drinking water (b) providing and maintaining drainage and sewage systems (c) public street lighting (d) maintaining sanitation and hygiene of public places, (e) construction and maintenance of bus terminals, roads, culverts and bridges, (f) maintenance of public parks and gardens, (g) ensuring systematic / planned urban growth, (h) regulation of building construction, (i) licensing of trade activities and (j) maintenance of birth and death records etc. |

Discretionary functions:- Education, health care, community &

recreational services, urban transport etc depending upon each urban local body's [ULB] resources. Of late the sphere of activity of municipalities has been extended to implementation of special economic development / poverty alleviation programmes like SJSRY.

1.6 Supervision &
Control-

Directorate of Municipal Administration (DMA) supervises the functioning of the municipalities, work out suitable human resource policies, exercise disciplinary control over the staff of municipalities, monitor the tax collection of ULBs, lay down policies for transparency in expenditures, hear appeals against the decisions of municipalities. It also releases the Government transfers to the ULBs, and implement schemes like SJSRY (for urban poverty alleviation), IDSMT, UIDSSMT, Nirmala Nagar, KMRP. DMA also collects municipal statistics, inspects municipalities, interacts with elected representatives and the employees to find out specific problems of urban administration and urban municipal services and work out the solutions.

Government directly supervises the functioning of the City Corporations.

1.7 Finance

Municipalities have been vested with the powers to levy certain taxes and fees. Also, the State Government transfers a portion of its general revenues to the urban local bodies. The main sources of income of the municipalities are derived from (a) taxes on building and lands, (b) user charge for water supply (c) license fee for regulating the building construction activities and fee from other trade license. The municipalities can also raise loans from Central and State Governments and Financial Institutions to meet expenditure under capital heads of accounts.

T A B L E – 6**Bangalore Metropolitan Transport Corporation (BMTC)**

1.1	Introduction:	The then Government of Mysore took over the city transport from the private company by an Act and ran buses upto 10- mile radius in the city in 1956 calling it Bangalore Transport Service [BTS]. BTS became one of the divisions of KSRTC. However keeping in view the special urban transport needs of Bangalore, BMTC was incorporated as a separate Corporation on 15-8-1997.
1.2	Objective	To provide a reliable, efficient, safe and self sustaining, cost effective urban transport services to the Bangalore City and surrounding areas.
1.3	Jurisdiction	BMTC's operational jurisdiction extends upto a radius of 25 kms from the outer limits of BBMP
1.6	Functional Highlights	<ol style="list-style-type: none"> 1. Operate 4726 schedules every day as on 06.02.08 2. Deploy a fleet of 4790 buses 3. BMTC operates 66783 trips and logs 11.04 lakh Kms per day. 4. Carry 35.00 Lakhs Passengers and earn on an average around Rs. 202 lakhs. 5. Services offered include City, Sub-urban, Pushpak, Vajra (with Volvo vehicles) and special services like Bangalore Rounds etc. 6. Concessional Passes to specified user categories.
1.7	Finance	Today, BMTC is the only profit making urban transport operator in the country. During 2005-06, BMTC recorded a gross income of Rs. 887.58 crores and a surplus of Rs. 224.32 crores.

**LIST OF PERSONS WHO PARTICIPATED IN
CONSULTATIVE WORKSHOPS AND MEETINGS**

I - Members of Parliament, Legislative Assembly and Legislative Council of Karnataka

1. Smt. Prema Cariappa, Member of Parliament
2. Sri Ramachandra Gowda, Member of Legislative Council and Former Minister.
3. Sri Ashok. R, MLA, Uttarahalli and Former Minister.
4. Sri Ramalingareddy, MLA, Jayanagar, Bangalore
5. Sri Somanna. V, MLA, Binnypet, Bangalore
6. Smt. Nafisa Fazal, Member of Legislative Council
7. Sri Chandrashekar. K, MLA, Basavanagudi, Bangalore
8. Sri Dinesh Gundurao, MLA, Gandhinagar, Bangalore
9. Sri Narendra Babu. N. L., MLA, Rajajinagar, Bangalore

II - Experts and Eminent Citizens:

10. Sri Ramachandran, IAS, Secretary to Govt. of India, Ministry of Urban Development, New Delhi.
11. Sri Mani Narayanaswamy, IAS [Retd.], Bangalore.
12. Sri S. Krishna Kumar, IAS [Retd.], Former Secretary to GoI, Bangalore.
13. Sri P. S. S. Thomas, IAS [Retd.], Indira Nagar, II Stage, Bangalore
14. Dr. M. R. Sreenivasan, Former Chairman, Atomic Energy Commission, Bangalore.
15. Sri K. C. Reddy, Technical Advisor to Hon'ble Chief Minister, Vidhana Soudha, Bangalore.
16. Prof. P. Balaram, Director, Indian Institute of Science, Bangalore.
17. Dr. P. V. Shenoy, Former Director, ISEC, Bangalore
18. Capt. G. R. Gopinath, Managing Director, Air Deccan Ltd., Bangalore.
19. Sri M. Lakshminarayana, Managing Director, Motor Industries Company Ltd., [MICO], Bangalore.
20. Dr. Devaki Jain, Founder Trustee, Singamma Sreenivasan Foundation, Taranga, Bangalore.
21. Sri Mukund Rao, Former Deputy Director of ISRO & CEO.

III - Representatives of NGO's and CBO's

NGOs

22. CARTMAN – Prof. N. S. Ramaswamy.
23. Swabhimana – Sri. G. Govardhan.
24. Public Affairs Centre [PAC] – Dr. K. S. Murthy, Director.
25. CIVIC – Ms. Kathayani Chamaraj.
26. Citizen Action Forum – Sri Mathew Thomas.
27. AVAS – Sri Madhusudan.
28. AWAKE – Sri Muralidhara Rao.
29. Kissan Sangha – Sri Narayana Reddy, President.
30. Bangalore Environment Trust
31. Ms/ Traffic Education and Safety Trust
32. Karnataka Kolageri Nivasigala Okkuta
33. JANAAGRAHA
34. Women's Voice.
35. SURAKSHA
36. Poverty Education & Rural Development.
37. Akila Bharathiya Grahak Panchayat
38. IDF, Gem Wellington
39. CWC, Bangalore.

CBOs & Individuals

40. S. Jayaram, RMV II Stage, Ward No. 100
41. B. S. Venkatalu, Sanjay Nagar Citizens Committee
42. R. C. Dutta, Sanjayanagar
43. R. Ashwathanarayana, Vijayanagar Nagarikara Vedike, Bangalore
44. P. Sheshadri, Vijayanagar Nagarikara Vedike, Bangalore
45. Maja P. Karur, The Koramangala Initiative.
46. Sanjaya Reddy, Ward No. 100
47. Vinay Baindur

48. Shivakumar
49. Dr. C. S. Kanambargi Matt. Ward No. 100
50. Vinod Vyasalu, CPBS
51. Ravindranath Guru, Consumer Care Society, Bangalore
52. E. T. Ponnukuttan, RTCA, Richmond Town, Bangalore.
53. B. K. S. Bangalore
54. Syed Rasheed Ali
55. Jayashri Ravindra, Grahak Shakthi
56. Lalitha Kamat
57. S. Sundara, A. B. Grahak Parishat, RR Nagar, Bangalore
58. M. N. Shenoy, Vijayanagar Nagarikara Vedike, Bangalore
59. Roshan D. Souza, CASUMM
60. T. C. Shivaswamy, Akila Bharathiya Grahak Panchayat, Bangalore.
61. Rakesh Sharma

IV - Representatives of Trade Bodies and Associations

62. Sri R. C. Purohit, President, Federation of Karnataka Chambers of Commerce & Industry, Bangalore.
63. Sri P. Prithivi Raj, President, KASSIA, Bangalore
64. Ms. Sandya Satwadi, Confederation of Indian Industries [CII]
65. Sri Venkat Kedilaya, President, Bangalore Chamber of Industry & Commerce
66. Sri P. S. Sreekanta Dutta, President, Peenya Industries Association, Bangalore
67. Sri Dayanand, President, Bommasandra Industries Association.
68. Dr. Manmohan R Kalgal, Secretary General, Association of Consulting Civil Engineers India, Bangalore.
69. Sri K. Subramani, Chairman, Builders Association of India, Bangalore.
70. Sri G. P. Mathur, Chairman, Indian Institute of Architects, Bangalore
71. Rt. Lt. Col. A. V. Mohanchandran, Executive Director, Electronic City Industries Association, Bangalore

72. Dr. Chowde Gosda, Chairman, Karnataka State Centre Institution of Engineers [India], Bangalore.
73. Sri G. Ashwathanarayana, KSCIE, Bangalore
74. Sri N. Thyagaraj, KSCIE, Bangalore
75. Sri A. S. Kodandapani, KSCIE, Bangalore
76. Sri L. Muralikrishnan, KSCIE, Bangalore
77. Sri V. M. Hegde, President, Institute of Town Planners, Bangalore
78. Sri Dayanand Reddy, President, Karnataka Land Developers Association, Bangalore.
79. Sri Balakrishna, President, Karnataka Apartment Owners Association [KOAPA], Bangalore.
80. Sri Srinivasan Desikachari, Executive Secretary, Karnataka Apartment Owners Association [KOAPA], Bangalore.
81. Sri Ramani Shastri, President CREDAIG, Bangalore.
82. Sri M. R. Jayashankar, Brigade Group, Bangalore
83. Sri K. B. Arsappa, PIA, Bangalore
84. Sri C. S. Pramesh, PIA, Bangalore
85. Sri Santhosh Shetty, Mathur and Associates, Bangalore

V - Government Officers and other Resource Persons

86. Sri A. K. Agarwal, IAS, Addl. Chief Secretary, and Chairman KUIDFC, Bangalore.
87. Sri Dilip Rau, IAS, ACS & Administrator BBMP
88. Sri K. Jairaj, IAS, Commissioner, BBMP
89. Sri Sudhir Krishna, IAS, Metropolitan Commissioner, BMRDA
90. Sri Madhu V, IAS, MD, BMRCL Ltd.
91. Ms. Lakshmi Venkatachalam, IAS, Principal Secretary to Govt, Planning, Programme Monitoring and Statistics Department.
92. Sri K. Jothiramalingam, IAS, Principal Secretary, UDD
93. Dr. Upendra Tripathy, IAS, Managing Director, BMTC, Bangalore
94. Sri Subhash Chandra, IAS, Secretary [M&UD], UDD
95. Sri M. K. Shankarlinga Gowda, IAS, Commissioner, BDA

96. Sri N. C. Muniyappa, IAS, Chairman, BWSSB
97. Sri Jawaid Akhtar, IAS, Managing Director, KUIDFC
98. Sri B. P. Kaniram, IAS, Director, Municipal Administration
99. Sri Gaurav Gupta, IAS, Special Commissioner, BMP
100. Sri Harsh Gupta, IAS, Joint Commissioner [Works], BBMP
101. Sri N. Sriraman, IAS, Addl. Metropolitan Commissioner, BMRDA.
102. Sri V. B. Patil, IAS, Joint Managing Director, KUIDFC
103. Sri Venkataramana N Naik, KAS, Joint Commissioner [Admn.] BBMP
104. Sri S. O. Nagaraj, KAS, Joint Commissioner, BBMP
105. Sri Yeshvanth V, KAS, Joint Commissioner [South] BBMP
106. Sri Jayaram N, KAS, Joint Commissioner, BBMP
107. Sri Arifulla Sheriff, KAS, GM-Admn, KUIDFC, Bangalore
108. Sri Sridhar, Addl. Chief Engineer, BWSSB.
109. Sri K. Lakshmipathi, JD [Planning] UDD
110. Sri Panduranga Naik, KAS, Joint Commissioner, BBMP.
111. Sri V. Chandra Mohan, Executive Director [Finance] KUIDFC
112. Sri Mandanna, Asst. Commissioner and Spl. Officer to Commissioner BBMP
113. Sri Manjunath J, CFO, [JNNURM], BBMP
114. Dr. J. V. Nandan Kumar, Dy. General Manager [A/cs], KUIDFC
115. Sri S. L. Narasimhan, Nodal Resource Person, Expert Committee
116. Sri Sudhir Krishanaswamy, Asst. Professor of Law, NLSUI and Nodal Legal Resource Person, Expert Committee, BBMP
117. Sri Aijaj Ahmed, Joint Director, Town Planning, KHB.
118. Sri Niranjan R. Naik, Assistant Director, Town Planning, KHB.
119. Sri P. Bathanolal, Advisor, MRC, KUIDFC, Bangalore
120. Sri Joseph S. Mariraj, Asst. General Manager [Admn & C&ER]
121. Sri Syed Atheequlla, Social Development Officer, KUIDFC
122. Sri Ramachandra Bhat, Account Assistant, KUIDFC
123. Sri Bharkathullakhan Lodi, Programmer, KUIDFC