



CRISIL Risk and Infrastructure Solutions Limited

Mission Directorate,
Jawaharlal Nehru National
Urban Renewal Mission
(JNNURM), Ministry of
Urban Development

Reform Appraisal Report – UIG
Uttar Pradesh – Package 3

March 2014





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1. Executive summary

1.1 Overview of Reforms in Uttar Pradesh

The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is a key initiative of the Government of India to support urban development in the country. It is a seven-year-long, reform-linked grant programme initiated in 2005–06. Sixty-five cities¹ are covered under the programme and are being provided financial assistance to take up projects in the identified sectors. Assistance for investment in urban infrastructure is contingent upon the attainment of various mandatory and optional reforms by urban local bodies (ULBs) and the respective state governments. The thrust of JNNURM is to ensure improvement in urban governance and service delivery so that ULBs become financially sound and can undertake new programmes in a sustained manner. The JNNURM mission has been extended to till March 2014 for a period of two years.

The reform appraisal agencies appointed by the Mission Directorate during the first and second years of JNNURM have been monitoring the status of reform implementation on a regular basis. The Mission has now entered the post mid-term phase wherein the initial impact of the reforms being implemented is likely to be actualised. Hence, the Mission Directorate intends to take up an in-depth appraisal and assessment of the implementation of these reforms in order to capture this impact, as well as identify some of the emerging good practices and key hurdles in the implementation of these reforms. In this context, the Ministry of Urban Development (MoUD) has appointed reform appraisal agencies to monitor the implementation of reforms undertaken by the state governments and ULBs under JNNURM. CRISIL Risk and Infrastructure Solutions Limited (CRIS) has been appointed as the reform appraisal agency for the states of West Bengal and Uttar Pradesh forming Package 3. This report presents the appraisal of reforms in the state of Uttar Pradesh.

CRIS conducted has so far conducted five appraisal visits for Uttar Pradesh between July 2010 and March 2012. Reports for all the five appraisals have been duly submitted to MoUD and relevant state officials.

CRIS has now been mandated to conduct reform appraisals for Uttar Pradesh till 2014. The first, second third and fourth visit under the extended JNNURM tenure were conducted in September 2012 and February 2013, June 2013 and March 2014 respectively. The fifth visit has been conducted in March 2014 as per the schedule below:

| Relevant Officer/Agency | Dates |
|------------------------------|------------------------------|
| UIDSSMT towns | 24 th March, 2014 |
| Lucknow Nagar Nigam | 25 th March, 2014 |
| Kanpur Nagar Nigam | |
| Allahabad Nagar Nigam | |
| Varanasi Nagar Nigam | |
| Agra Nagar Nigam | 26 th March, 2014 |
| Meerut Nagar Nigam | |
| Mathura Nagarpalika Parishad | |

¹ A Cities/UAs with 4 million plus population as per 2001 census - 07

B Cities/UAs with 1 million plus but less than 4 million population as per 2001 census - 28

C Selected cities/UAs (state capitals and other cities/UAs of religious/historical and tourist importance) - 30

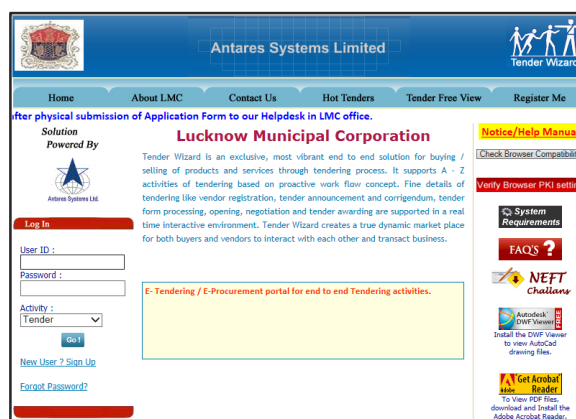


1.2 Progress in implementation of reforms between November 2013 and March 2014

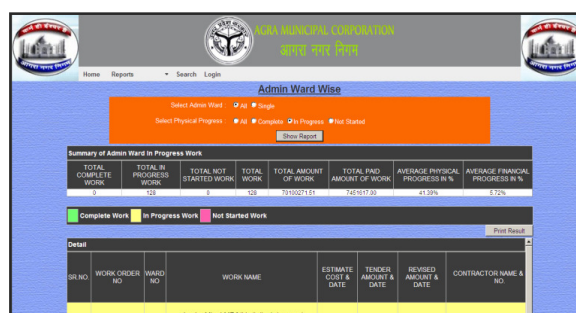
The momentum built up on reform implementation during the last quarter has continued in the current quarter. The cities in Uttar Pradesh have continued their efforts in implementing the reforms and have covered significant ground between June 2013 and March 2014.

Some of the practices instituted are very innovative and provide a shining example of how services of the ULBs can be proactively restructured to take them closer to people and move towards a more open and transparent system of tendering.

Lucknow Nagar Nigam has initiated e-tendering for all its works to be undertaken. This has resulted in significant streamlined bidding process management. The solution has been developed on a PPP basis and is an end-to-end tendering solution i.e. all tender related transactions happen only through the portal. There is hardly any requirement for physical copies of tenders to be submitted. This has resulted in cost and time savings for the Lucknow Nagar Nigam and has also heralded a cultural shift and has made the process has become transparent.



Agra Nagar Nigam stands out in this regards. The local body has attempted to personify the meaning of transparency through data availability on all physical works that are ongoing through a simple yet sophisticated format. Each of the works being carried out across the city can be accessed by any citizen through the website at the mere click of a button. The resultant data allows the user to see various layers of information based on preference. For instance, if the citizens of a particular ward want to see what works have been commissioned within their ward and how much progress has been achieved, the same can be viewed through various report formats that are built into the website of the local body. This is perhaps one of the most pioneering works which embodies the spirit of good governance, transparency as well as public disclosure. This pioneering concept should be scaled up and should be replicated across ULBs in the country.



| SR NO. | E.NO. | S.DATE | ZONE | WARD | ROWLER | HOUSE NO | HOUSE IN | LANT | STATUS | BAL ANT | SYNC TIME |
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| PLU0005911 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005912 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005913 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005914 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005915 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005916 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005917 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005918 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005919 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005920 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005921 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005922 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005923 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005924 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005925 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005926 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005927 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005928 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005929 | 0 | | | | | | | | 0.00 | 0.00 | |
| PLU0005930 | 0 | | | | | | | | 0.00 | 0.00 | |

In order to facilitate services delivery to citizens, Meerut Nagar Nigam has deployed kiosks providing information on Property Tax in all its zonal offices. These kiosks have also been linked to cashless payment mechanisms to further facilitate easy clearance of dues for citizens.

Kanpur Nagar Nigam (KNN) has initiated various reforms such as mobile governance under which ward offices are transformed into Advanced Facilitation Centre for E-Governance. The Kanpur model for E-Governance has been well appreciated by the state and has been chosen as the model for the state. The same shall also be replicated at other ULB's also. KNN has project wise and ward wise details of



projects which has been disseminated on the website for public information and scrutiny. KNN has started the facility of Video Conferencing in two ward offices which would act as a facilitator for conducting meetings and monitoring progress at any level. KNN has also started deploying retired personnel from the Property Tax Department for recovery of dues on a commission basis. It has also started taking attendance through biometrics and also monitoring the work premises with electronic cameras. Kanpur Nagar Nigam has instituted a “Centre for Excellence” within its premise. This facility is being used for training ULB personnel and also for capacity building and enhancement for one and all within and outside Kanpur Nagar Nigam.

Varanasi Nagar Nigam (VNN) has initiated the use of GPRS based Spot Billing Machines which allows the data to be directly fed into the property tax system upon collection, This is a very useful innovation that will set a precedent for other cities.

Agra Nagar Nigam (ANN) has initiated the use of spot milling machines in order to facilitate faster recovery of dues. Furthermore, RTGS/NEFT facility has been initiated for payment to contractors. Also, ANN has started clearing all the retirement dues of the staff on the day of retirement itself.

Lucknow Nagar Nigam (LNN) has started a full-fledged e-tendering system and has saved around 85 lakhs due to switch over from manual tendering process.

The state government has also been pushing ULBs to achieve reforms as early as possible and has deployed mechanisms to (a) ensure that reform is completely implemented and (b) ensure that the reporting is also correct. This has been done in case of Property Tax for all UIG cities. The state government issued directives where by cut-off date was provided by which 100% collection efficiency was to be demonstrated. This would be cross checked through random visits. Misreporting carried penal provisions. Please refer Annexure 19 for the same.

NIC has developed modules for state wide e-governance roll out where most of the modules are now in testing phase; M/S CMC has been engaged for developing DEAS based accounting module and uniform financial accounting system for all ULBs. User test cases are ready and the complete software is expected to be ready by 15th April 2012.

PPP cells have been instituted in all ULBs; Service level benchmarks have been finalised and drives at regularisation of water connections have been undertaken in some ULBs. Modules on grievance redressal and trade license which were earlier pending in some ULBs have been operationalized; Agra Nagar Nigam has made efforts to improve property tax collection by resolving disputed demand which was considered unrecoverable.

1.2.1 State-level reforms

Transfer of 12th Schedule Functions

- District Planning Committees (DPCs) have been constituted and are functional.
- The metropolitan area of five Kanpur, Allahabad, Varanasi, Agra, Lucknow (KAVAL) towns and Meerut city has been notified. The rules Metropolitan Planning Committees (MPCs) have been framed, legally vetted, and put up before the State Cabinet for approval on 26th July 2011. The approval of the same is pending. The MPC Rules 2011 have been notified. *However, the formation of MPCs is still pending.*
- *Fire and public transport services continue to be handled by state-level agencies.* The state has reiterated its position that these functions are best managed by para-statal agencies, which have been dispensing these functions since their inception in the state.
- *Urban planning and building regulation functions continue to rest with the development authorities in 106 ULBs including all the seven Urban Infrastructure and Governance (UIG)*



cities. While the ULBs find representation on the Plan Sanctioning Committee, there is no active participation of the ULBs in the plan preparation process. The ULBs currently only provide a No Objection Certificate (NOC) for planning permissions within their jurisdiction. The state government has reiterated that for the 106 towns where there are development authorities/regulated area authorities, these functions shall not be transferred since these para-statal agencies are constituted under the planning legislations of the state and are best suited to undertake these functions. Creating additional capacities at the ULB level may be difficult for these functions.

1.2.2 ULB-level reforms

e - Governance

- The e-governance DPR for the state of Uttar Pradesh has been approved by the Central Sanctioning and Monitoring Committee (CSMC) on 20th March 2012. NIC has started the preparation of modules in an integrated manner.
- Four modules, viz. Birth and Death Registration, Property Tax, Grievance Redressal, and Personnel Information System, have already been developed. Birth and Death module has already been rolled out and other are on the verge of being rolled out. Other modules will be rolled out soon at the ULB level once the testing is completed. The remaining modules are simultaneously being prepared and will be rolled out soon at the ULB level as well.

Municipal Accounting

- The Municipal Accounting Manual is still awaiting the final nod of the Cabinet. This is likely to be approved and implemented very soon since all other state-level formalities have been completed.
- Lucknow, Kanpur, Allahabad, Varanasi, Agra, Mathura, and Meerut have prepared their financial statements at least till 2011-12. ULBs like Lucknow, Kanpur, Varanasi have already prepared the financial statements for 2012-13 and others are in the process of preparing the same.

Property Tax

- Coverage ratios for all ULBs are above 90%
- Current collection efficiencies reported for all the ULBs are above 70% for 2013-14. These are likely to go up and over 90% by the end of March 2014. For the previous years, all ULBs reported collection efficiency of over 90%.

User Charges

- The operation and maintenance cost recovery figures for water supply reported for all ULBs appear to be very high due to the fact that the operation and maintenance expenditure of Jalkal does not account for electricity charges on its books of accounts. The state while devolving the State Finance Commission (SFC) grant to the ULBs, directly deducts the electricity charges (both for non-water and water charges). This approach, while being principally correct, does not allow for accurate reflection of Operation & Maintenance (O & M) expenditure that the Jalkal incurs
- Jalkal levies either water tax or water charge whichever is higher. The water tax is calculated as a percentage of Annual Rental Value (ARV), while the water charge is calculated based on pre-defined ferrule size rates
- All ULBs recover over 60% of the O & M cost.



Internal Earmarking of Funds for Poor

- No changes are observed; ULBs continue to earmark 25% to 30% of the Municipal “Development” Budget for the urban poor. The utilization of the amount earmarked has been over 80% for almost all ULBs.

Basic Services to Urban Poor

- The results from household surveys have now been shared with the ULBs who will now prepare action plans based on the results from these surveys. Existing service levels have been determined through rapid surveys, which need to be substantiated with the household surveys being conducted by the District Urban Development Authority (DUDA)
- The state government has also formulated and implemented several initiatives for the upliftment of poor. Some of the initiatives are Manyawar Shri Kanshiram Ji Shahari Garib Awas Yojana, Sarvjan Hitay Shahari Garib Awas Malikana Haq Yojana, Manyawar Shri Kanshiram Ji Dalit Basti Samgra Vikas Yojana, etc.

1.2.3 Optional reforms

Property title certification system at ULBs

- This reform needs to be focused upon since there is no progress on this reform

Revision of Building bye-laws to streamline approval process

- Para-statal agencies (Development Authorities) reported that the building permissions for proposed construction of less than 300 sq. mts can be provided in 24 hours

Revision of Building bye-laws to make rainwater harvesting compulsory

- Rainwater harvesting has been made mandatory for building with built-up areas beyond 300 sq. mts.

Earmarking of 20-25% land for economically weaker sections

- Earmarking of 20% made mandatory for townships and projects beyond prescribed minimum area

Simplification of legal and procedural framework for conversion of agriculture land to non-agriculture

- Provisions for conversion and a streamlined process already exist within the revenue department

Introduction of computerized process for land and property registration

- The land and property registration process has already been computerized under the revenue department

Bye-laws for re-use of recycled water

- Amendments have been made to the Building Rules to incorporate the same

Administrative Reforms

- The Financial Responsibility and Budget Management Bill has been prepared and is being considered by the Finance Department for approval.
- A detailed training need assessment (TNA) has been carried out at the Directorate of Local Bodies (DLB) level in which 19 training modules have been identified for all municipal cadres as well as elected representatives. This capacity building proposal prepared by the DLB in



consultation with UP Academy of Administration & Management (UPAAM) has been accepted by the state government, and Rs. 21.94 crores have been allocated for the current FY 2011-12.

Structural reforms

- Cabinet approval has been accorded for the formation of the Revenue Cadre and Accounts Cadre, PPP models, scale revision for junior engineers, and reorganization of the Revenue Cadre and the ULB Executive Cadre.
- Zone office have already been set-up by the ULBs and various other initiatives have been taken
- Elected representatives are involved in various decision making processes and various standing committees have been constituted

Encouraging PPP

- All ULBs have selected private operators for SWM function. However, for almost all ULBs, the private operator have ceased operations due to various reasons.
- E-tendering in Lucknow has been done through the PPP route

1.3 Overall progress

1.3.1 State-level reforms

Uttar Pradesh has made significant progress in the implementation of the state-level reforms. The key achievements and the implementation status of the reforms are highlighted in the following sections.

Table 1-1: Summary of state-level reform implementation

| State-Level Reforms | Target | Current Status | Remarks |
|---|------------------------|---|---|
| Rent Control Reforms | 2009-10 | Achieved | Rent control legislation already has enough provisions relating to protection mechanisms for landlords and tenants. |
| Rationalization of Stamp Duty | 2009-10 | Achieved | Stamp Duty has been reduced to 5%. |
| Repeal of Urban Land Ceiling and Regulation Act (ULCRA) | No timelines indicated | Achieved | ULCRA has been repealed. |
| Community Participation Law | 2008-09 | Achieved | Amendments to the act have been made and ward committees have been constituted. |
| Public Disclosure Law | 2007-08 | Act Amendment – Completed Actual Disclosures – Completed | Amendments to the act made. Disclosure by ULBs made; balance sheets (OBS and provisional Balance Sheets) uploaded on their websites |



| State-Level Reforms | Target | Current Status | Remarks |
|--------------------------------------|---------|----------------|---|
| | | and continuing | |
| Transfer of 12th Schedule Functions | 2005-06 | In Progress | Functions relating to fire and public transport services are with para-statal agencies. Urban planning and building regulation functions are yet to be transferred to 106 ULBs. <i>The state government has reiterated that these functions will not be transferred to the ULB.</i> |
| Transfer of Urban Planning Functions | 2011-12 | In Progress | Fire and public transport services are yet to be transferred to ULBs. <i>The state government has reiterated that fire service and public transport functions will continue to be performed by the police and Uttar Pradesh State Road Transport Corporation (UPSRTC), respectively.</i> |

1.3.1.1 Key Achievements

The state has been able to achieve four reforms:

- Rent Control Law – Changes have been made to the existing legislation, which is fully in line with the objectives of the rent control reform
- Repeal of ULCRA – The state has repealed ULCRA well in advance
- Stamp Duty reduction to 5% – The state has reduced the Stamp Duty to the stipulated 5%
- Community Participation Law – Amendments to the act have been made and ward committees have been formulated in all the seven UIG towns
- Public Disclosure Law – ULBs are pro-actively disclosing financial information as well as other information as stipulated in the law

All the above reforms have been fully achieved and do not require any further initiative except for ensuring that the reforms continue in future as well.

1.3.1.2 Areas of significant progress

There has been significant progress in the remaining reform agendas and the state appears to be well poised to achieve these reforms by the completion of the mission period. The reforms in which work is in advanced stages are as follows:

- Transfer of 12th Schedule functions – Only four functions remain to be fully transferred to the ULBs, i.e., fire services, public transport, urban planning, building regulation (for 106 ULBs), and social and economic planning. *However, it has been stated that transfer of planning functions to 106 ULBs will not be undertaken since planning agencies constituted under the planning legislation of the state are already functional.*

The state will now need to focus on the following key areas in which it will face challenges.

- Transfer of Urban Planning, Building Regulation, Fire Service, and Public Transport functions to the ULBs:



- ◆ Currently, urban planning and building regulation functions are being performed by the development authorities in 106 ULBs, which include all mission cities as well. The ULBs find a representation in the committee that provides the final approval of the plan. *However, the state government has reiterated that urban planning functions will not be transferred to the 106 ULBs since para-statal planning agencies have already been constituted under the planning legislation of the state.*
- Discussions with key state officials reveal that there is an apprehension of the transfer of fire services to the ULBs since traditionally the Uttar Pradesh Police has been performing this function efficiently. The public transport function is being performed by the UPSRTC. The ULBs do not have the required wherewithal to dispense this function.

1.3.2 ULB-level reforms

The ULB-level reforms in UP have picked up momentum and now appear to be on track. The Property Tax coverage and collection efficiencies have been enhanced well beyond the committed levels. While the e-governance implementation will be supported through the state-level architecture, the ULBs have developed standalone modules for internal efficiency purposes.

Thus, some of the reform areas have seen significant progress, while some areas will require concentrated efforts.

Table 1-2: Status of ULB-level mandatory reforms

| ULB-Level Reform | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
|------------------------------|----------------|------------------------|-------------|-------------|------------------------|-------------|-------------|------------------------|
| e-Governance | Target Year | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 |
| | Current Status | In Progress | In Progress | In Progress | In Progress | In Progress | In Progress | In Progress |
| Municipal Accounting | Target Year | 2009-10 | 2009-10 | 2009-10 | 2009-10 | 2009-10 | 2009-10 | 2009-10 |
| | Current Status | Complete | Complete | Complete | Complete | Complete | Complete | Complete |
| Property Tax | Target Year | 2009-10 | 2009-10 | 2011-12 | 2010-11 | 2009-10 | 2010-11 | 2010-11 |
| | Current Status | Complete | Complete | Complete | Complete | Complete | Complete | Complete |
| User Charges | Target Year | 2010-11 | 2011-12 | 2011-12 | 2010-11 | 2011-12 | 2011-12 | 2010-11 |
| | Current Status | In Progress with Delay | In Progress | In Progress | In Progress with Delay | In Progress | In Progress | In Progress with Delay |
| Internal Earmarking of Funds | Target Year | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 |
| | Current Status | Complete | Complete | Complete | Complete | Complete | Complete | Complete |
| Basic Services to Urban Poor | Target Year | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 | 2011-12 |
| | Current Status | In Progress | In Progress | In Progress | In Progress | In Progress | In Progress | In Progress |

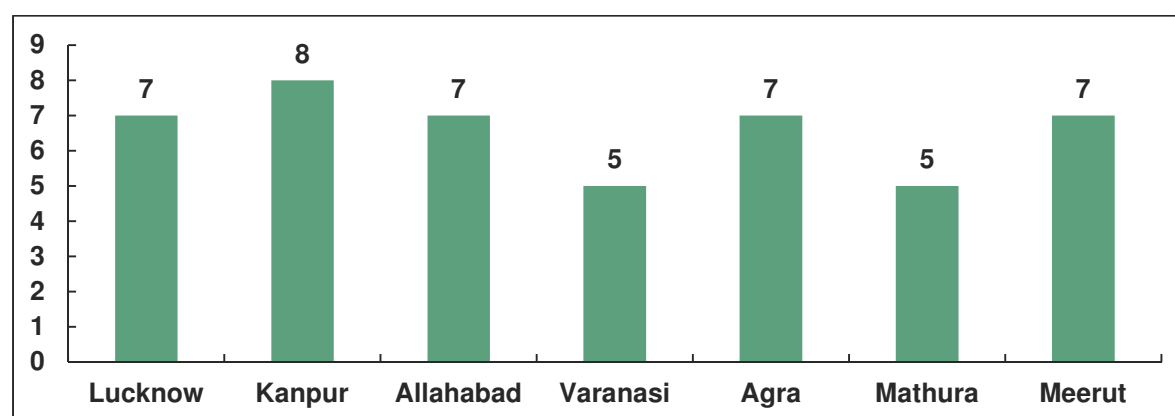
A reform agenda-wise summary has been discussed in the following sections.



1.3.2.1 E-Governance

- The e-governance DPR for the state of Uttar Pradesh was approved by the Central Sanctioning and Monitoring Committee in December 2010. The state is in the process of preparing the integrated modules, which will be replicated across ULBs
- Four modules, viz. Birth and Death Registration, Property Tax, Grievance Redressal, and Personnel Information System, have already been developed and are under testing. Once testing is completed, these will be rolled out across all the 630 ULBs of UP
- Simultaneously, various ULBs have prepared standalone modules; these will have to be integrated with the state-level modules. This will prove to be a critical challenge, which the state government has realized and is actively working towards developing a seamless integration framework

Figure 1-1: Standalone modules implemented at various ULBs



Source: Data as provided by ULBs and CRISIL Analysis

As is evident from the figure above, most ULBs have proceeded with the implementation of standalone modules, which are now being utilized by both the ULBs and the citizens for monitoring and accessing various services that the ULBs provide.

1.3.2.2 Municipal Accounting

Municipal accounting reforms, which were an area of concern for UP, appear to have crossed a critical threshold and ULBs are working at a good pace to complete most of the reform requirements.

All ULBs have prepared, audited, and adopted their OBS'. The focus is now on preparing balance sheets for the subsequent years and updating the books of accounts. Most of the ULBs have audited financial statements available till 2011-12. These are also being disclosed through the websites of the ULBs.

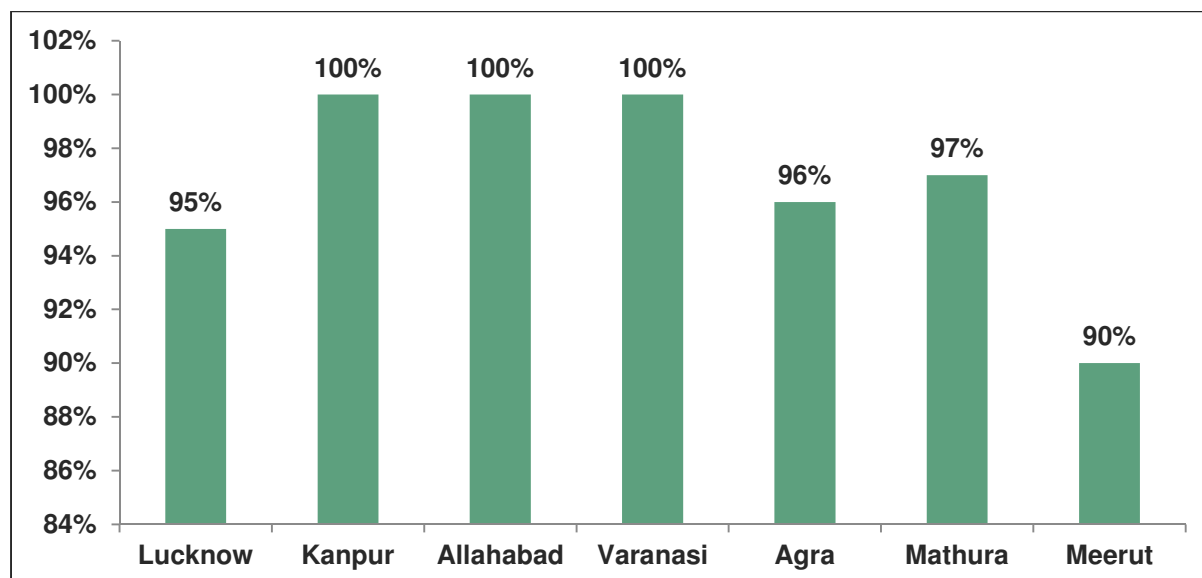
1.3.2.3 Property Tax

Geographical Information System (GIS) Surveys and coverage ratio

All the ULBs have completed GIS surveys. The GIS surveys have enabled the ULBs to enhance their coverage ratios and bring assessed properties under the tax net.



Figure 1-2: Coverage ratios achieved by cities



Source: CRISIL Analysis and data reported by ULBs and confirmed by Directorate of Local Bodies

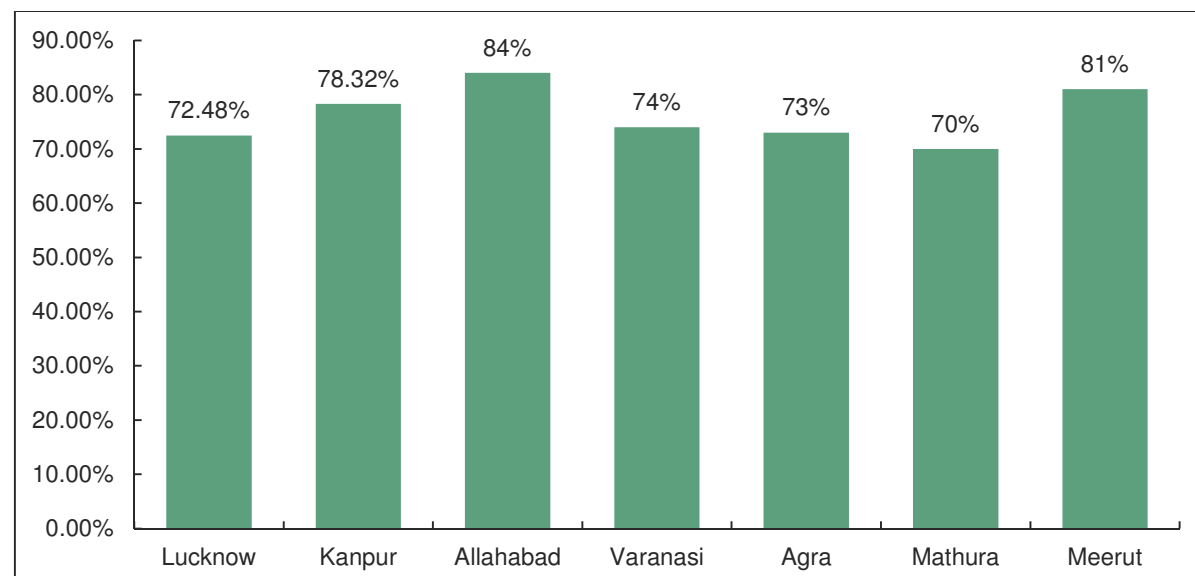
As is evident, most ULBs have been expanding their coverage ratios due to the initiatives under the JNNURM-led Property Tax reforms. The ULBs now boast of sophisticated GIS-based maps and detailed databases of properties that exist within their jurisdiction.

The coverage ratios in the case of Kanpur, Allahabad, Varanasi, and Mathura have been reported to be 100%, while all the other ULBs have reported coverage ratios in excess of the mandatory 85%, which is a significant achievement.

Collection efficiencies

The collection efficiencies reported for 2013-14 have been included in the analysis.

Figure 1-3: Collection efficiencies reported by cities for FY 2013-14



Source: Data as provided by ULBs and CRIS Analysis



The ULBs have definitely focused on this reform agenda since the collection efficiencies reported are well beyond the minimum expected levels. This is testimony to the fact that ULBs have been able to effectively ramp up their collection mechanisms which has ensured that property tax is collected in time.

1.3.2.4 User Charges

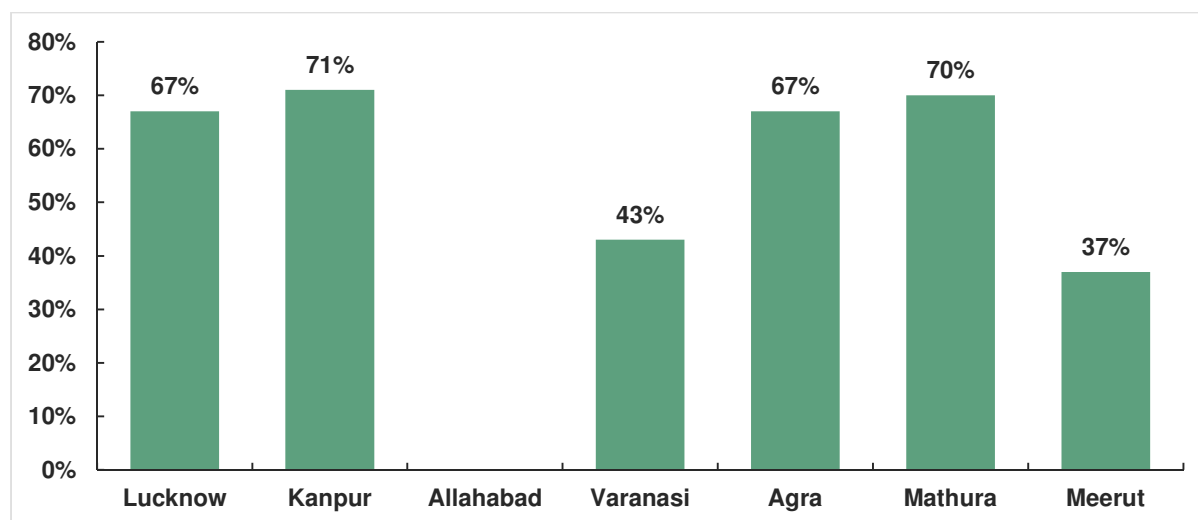
This reform agenda is aimed at helping the ULBs achieve cost recovery for services that they provide, specifically in the areas of water supply and solid waste management.

For water supply, the Jalkal can levy either water charge (standard rates based on the ferrule size for any connection) or water tax (calculated as a percentage of the annual rental value of the property), whichever is higher.

Most ULBs have reported very high O&M cost recovery. However, this is due to the fact that the O&M cost calculation does not include electricity cost incurred on water supply operations. This skews the recovery ratios comprehensively.

Additionally, without appropriate ring-fencing (or cost centre based accounting) of the water supply and sewerage services, the reporting of the O&M could also be understated since the exact components of the costs included are not clearly identified and accounted for.

Figure 1-4: O & M cost recovery with electricity charges



Source: Data as provided by ULBs and CRIS Analysis

Note: The figures for cost recovery reported are till February 2014 for the financial year 2013-14 and hence some of the cost recovery figures may appear very low. These figures are likely to go up by end of March 2014.

Most ULBs have levied user charges for Solid Waste Management (SWM) in the range of Rs. 10 to 50 per month per household. The user charge framework for non-residential properties will be worked out soon and will also be implemented once the respective concessionaires are in a position cover non-residential properties.

However, currently for all cities, the private operators have ceased to function for one reason or the other and have been unable to either levy or collect user charges.

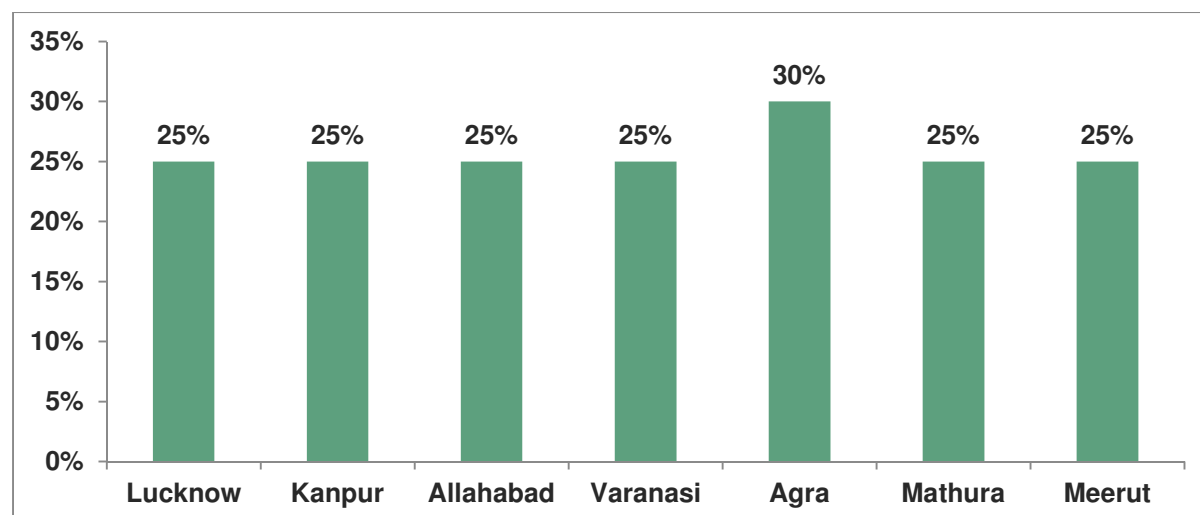


1.3.2.5 Internal earmarking of funds for poor

The ULBs in UP have made limited progress in internal earmarking of funds for the poor. Most of the ULBs have allocated a proportion of the development budget (routine capital expenditure budget) for the poor.

All ULBs are surplus budget ULBs and hence it is expected that the ULBs should also earmark on their total and own source revenue income towards urban poor.

Figure 1-5: Percentage of development budget allocated for poor at ULBs



Source: CRISIL Analysis and data provided by ULBs

However, the earmarking being undertaken on Development Fund is in accordance with the amendment made to The Uttar Pradesh Local Self Government Act.

1.3.2.6 Basic services to urban poor

This reform agenda is being implemented with assistance from DUDA in all the cities. DUDA has been spearheading the household survey process as well as the construction of houses for the poor.

The benchmarking of the existing level of services can be established after the surveys have been completed and a comprehensive database has been prepared. The current service-level benchmarking has been carried out using rapid surveys, which will need to be reconciled with data from household surveys and their analysis.

The ULBs need to work in close coordination with DUDA to ensure that the pace of implementation of this reform agenda is fast and allows for better service provisioning to the poor.

The state government has also initiated several programmes focused on the poor. Some of these are:

- Manyawar Shri Kanshiram Ji Shahari Garib Awas Yojana launched with the objective of providing access to legal and affordable housing to Below Poverty Line (BPL) families in urban areas with in-house basic services
- Sarvjan Hitay Shahari Garib Awas Malikana Haq Yojana launched with the objective of providing ownership rights to the urban poor living in houses built on unauthorised government land
- Manyawar Shri Kanshiram Ji Dalit Basti Samgra Vikas Yojana an umbrella scheme launched for planned and time-bound development of all basic infrastructural facilities in slum areas

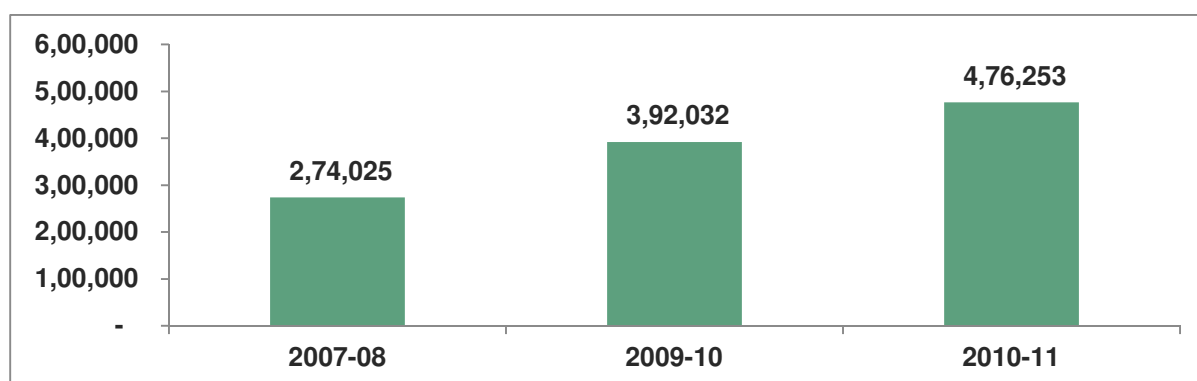


1.3.3 Impact assessment of reforms

To analyse the impact of reforms on the ULBs, certain analytical constructs have been presented in the following sections:

- Increase in coverage due to GIS surveys:** All ULBs reported that post-GIS surveys a host of properties have been added to the tax net. This has resulted in increase in revenues for the ULBs. For instance, Kanpur had a total of 274,025 properties in 2007-08 before GIS surveys. After completion of GIS surveys in 2009-10, Kanpur added over 100,000 properties between 2007-08 and 2009-10. Between 2009-10 and 2010-11, another 84221 properties were added which has led to Kanpur now reporting 100% coverage ratio.

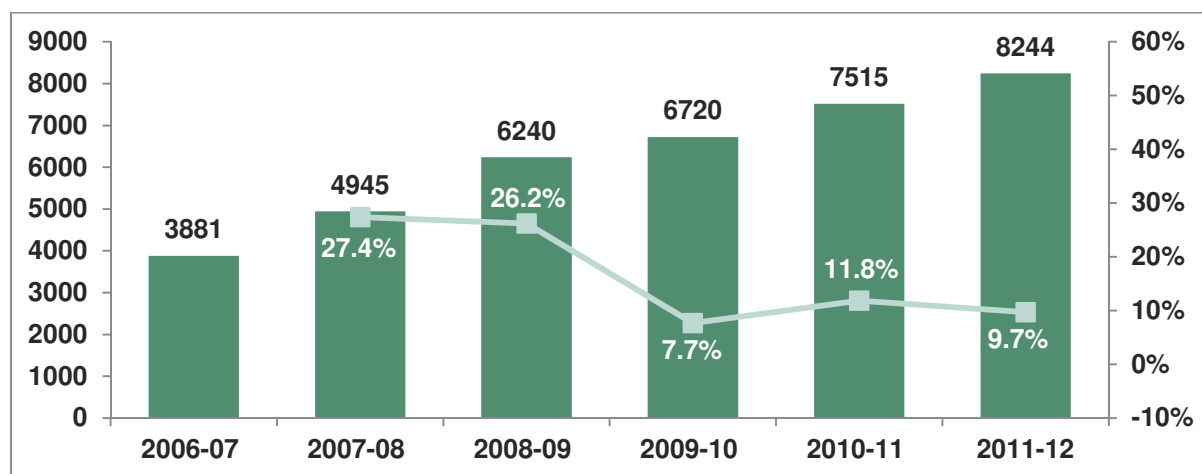
Figure 1-6: Increase in number of assessed properties in Kanpur



Source: Data as provided by Kanpur Nagar Nigam and CRIS analysis

- Increase in revenues from Property Tax:** All ULBs reported that with the increased focus on property tax reforms, their total demand of property tax increased significantly. For instance, in case of Lucknow, the total demand in 2006-07 was Rs. 38.81 crores which increased to Rs. 82.44 crores in 2011-12 which indicates a compounded annual growth rate of 16% between 2007 and 2012.

Figure 1-7: Increase in total demand in Lucknow



Source: Data provided by ULB and CRIS analysis



1.3.4 Optional Reforms

The progress in optional reforms presents a mixed picture since for many of the reform areas, the ULBs have no direct role to play.

- It was observed that for several optional reforms, the onus lies primarily at the state level. This is because functions such as land registration, amendment of building byelaws, earmarking of land for economically weaker sections (EWS) and lower income group (LIG) are either state subjects or are handled by para-statal agencies
- The reforms of streamlining of the approval process for building permissions, rainwater harvesting (RWH), reuse of recycled water, and earmarking of 20% land have made progress on the policy front at the state level with Government of Uttar Pradesh (GoUP) taking proactive steps and making the necessary amendments. However, on ground, the implementation of these functions would continue to require strong supervisory and monitoring mechanisms for effective implementation
- The reform related to the Property Title Certification System has now been brought under focus by the state government. A draft bill for the system has been prepared and forwarded for state government's consideration
- The simplification of the legal and procedural framework for the conversion of agricultural land to non-agricultural land is a subject of the revenue department and the ULBs have no role to play. The state already has provisions in the existing legislations which simplify the process of converting agriculture land to non-agriculture use
- Administrative reforms are being supported on a large scale through DLB. DLB has recently been allocated over Rs. 20 crores for a training and capacity building programme, which will focus on both ULB employees as well as public representatives. DLB has also been ULBs in implementing administrative reforms. GoUP constituted a committee under the chairmanship of the Director of local bodies in 2006. The brief of the committee was to establish norms for categorization, up-gradation, reorganization, and rationalisation of human resources in the ULBs. The committee has identified several issues in the existing organisation structure and staffing. The committee has submitted its report with recommendations, which now need to be implemented. Cabinet approval has recently been secured for the formation of revenue cadres, account cadres, and PPP models; scale revision for Junior Engineers; and reorganization of the revenue cadre and the ULB executive cadre
- ULBs have initiated administrative reforms and have taken several steps to increasing organizational efficiencies. Outsourcing is being encouraged in a bid to reduce establishment expenditure. Service-level agreements have been formulated to ensure that complaints are addressed in pre-specified time periods. Toll-free numbers are being utilized by some ULBs for complaint registration. Websites have been developed and various services are offered online to ensure easy access. Some of the ULBs have begun introducing solar powered traffic signals to reduce energy consumption
- On the structural reforms front, ULBs have established zonal offices to decentralize the provision of services within the city. Due empowerment of zonal office staff has also been initiated to enable them to function more effectively. Inter-agency coordination is being promoted through various review meetings chaired by the Municipal Commissioner as well as through the District Magistrate's office, for cross-cutting programmes like Basic Services to Urban Poor (BSUP) where para-statals are also involved.

1.4 Status of reform implementation as per revised checklist

The following sections provide an overview of the status of reform implementation as per revised checklist:

1.4.1 Summary of Score for State and ULB level reforms

| Reform | Max Score | Total Score (March 2014) | | | | | | | Total Score (March 2014) | | | | | | |
|-------------------|------------|--------------------------|--------------|---------------|------------|---------------|---------------|---------------|--------------------------|------------|---------------|------------|---------------|---------------|---------------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| State Level | 70 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 |
| Mandatory Reforms | 60 | 52.50 | 51.50 | 50.25 | 49.00 | 50.25 | 50.25 | 49.25 | 55.50 | 56.00 | 53.25 | 52.00 | 53.25 | 51.25 | 50.25 |
| Optional Reforms | 100 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 | 88.00 |
| Total | 230 | 203.5 | 202.5 | 201.25 | 200 | 201.25 | 201.25 | 200.25 | 206.5 | 207 | 204.25 | 203 | 204.25 | 202.25 | 201.25 |
| Total (%) | 100% | 88.48% | 88.04% | 87.50% | 86.96% | 87.50% | 87.50% | 87.1% | 89.78% | 90.00% | 88.80% | 88.26% | 88.80% | 87.93% | 87.50% |

Note: The reduction in score during March 2014 is on two accounts i.e. (1) Property tax collection efficiencies are lower since most of the tax realization happens by March 31, 2014. This has resulted in reduction of score by 1 mark for each of the ULBs. (2) The O & M cost recovery for Water and SWM have impacted the scores. More specifically, for all ULBs, barring the exception of Lucknow, the private operator providing SWM services has stopped operations for one reason or the other. This has resulted in reduction of 2 to 3 marks in almost all cases. Mathura and Meerut had score 0 points on SWM cost recovery during the previous cycle as well.

1.4.2 State level reforms

| 1 | Implementation of 74th CAA | Max. Score | State Score |
|---|---|------------|-------------|
| 1 | Constitution of Municipalities & Elections | 2.0 | 2.0 |
| 2 | Transfer of 12th Schedule functions (18 Functions) to ULBs* | 9.0 | 7.0 |



| 1 | Implementation of 74th CAA | Max. Score | State Score |
|---|----------------------------|-------------|-------------|
| 3 | Constitution of DPC** | 2.0 | 2.0 |
| 4 | Constitution of MPC** | 2.0 | 0.0 |
| | Total | 15.0 | 11.0 |

| 2 | Integration of City Planning & Delivery Functions | Max. Score | State Score |
|---|---|------------|-------------|
| 1 | Resolution to assign ULBs with City Planning Functions including Development Control Regulations & Building Byelaws | 1.0 | 0.0 |
| 2 | Preparation of CDP with inclusive and integrated planning | 2.0 | 2.0 |
| 3 | Placing of City Plans before MPC/ DPC | 2.0 | 0.0 |
| | Total | 5.0 | 2.0 |

| 3 | Reform in Rent Control | Max. Score | State Score |
|---|--|-------------|-------------|
| 1 | Availability of Rent Control Act | 2.0 | 2.0 |
| 2 | Provision of fixation of Standard Rent | 2.0 | 2.0 |
| 3 | Provision of revising rent periodically | 2.0 | 2.0 |
| 4 | Balancing obligations of Landlords and Tenants | 2.0 | 2.0 |
| 5 | Establish adjudication system for resolving disputes | 2.0 | 2.0 |
| | Total | 10.0 | 10.0 |

| 4 | Stamp Duty Rationalization to 5% | Max. Score | State Score |
|---|--|------------|-------------|
| 1 | Reduce stamp duty to 5% (including surcharges) | 5.0 | 5.0 |



| 4 | Stamp Duty Rationalization to 5% | Max. Score | State Score |
|---|---|-------------|-------------|
| 2 | Preparation of guidance values/Circle rates | 2.5 | 2.5 |
| 3 | Annual revision of guidance values | 2.5 | 2.5 |
| | Total | 10.0 | 10.0 |

| 5 | Repeal of ULCRA | Max. Score | State Score |
|---|--|-------------|-------------|
| 1 | State legislature to pass a resolution in compliance with the repeal of ULCRA passed by Parliament in 1999 | 7.0 | 7.0 |
| 2 | State government to issue notification in this regard | 3.0 | 3.0 |
| | Total | 10.0 | 10.0 |

| 6 | Enactment of Community Participation Law | Max. Score | State Score |
|---|--|-------------|-------------|
| 1 | Notification of Legislation for ensuring community participation | 2.5 | 2.5 |
| 2 | Constitution of Ward Committees | 2.5 | 2.5 |
| 3 | Citizen Charter with timelines | 2.5 | 2.5 |
| 4 | Any additional provision/instrument for citizen participation | 2.5 | 2.5 |
| | Total | 10.0 | 10.0 |

| 7 | Enactment of Public Disclosure Law | Max. Score | State Score |
|---|------------------------------------|-------------|-------------|
| 1 | Legislation of RTI Act | 2.5 | 2.5 |
| 2 | Implementation of RTI Act | 2.5 | 2.5 |
| 3 | Preparation of Citizen Charter | 2.5 | 2.5 |
| 4 | Disclose through a website | 2.5 | 2.5 |
| | Total | 10.0 | 10.0 |

1.4.3 ULB level mandatory reforms

| E-Governance Modules | Maximum Score | Assigned Score | | | | | | |
|--|---------------|----------------|--------------|-------------|-------------|-------------|-------------|-------------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Property Tax | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Accounting | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Water Supply and Other Utilities | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Birth and Death Registration and Health programs | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Citizens' Grievances Monitoring | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Personnel Management System | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Building Plan Approval | 1.25 | 1.25 | 1.25 | 1.25 | 0.00 | 0.00 | 1.25 | 1.25 |
| e-Procurement | 1.25 | 1.25 | 1.25 | 0.00 | 0.00 | 1.25 | 0.00 | 0.00 |
| Total Score | 10 | 10.00 | 10.00 | 8.75 | 7.50 | 8.75 | 8.75 | 8.75 |

| Municipal Accounting | Max. Score | Assigned Score | | | | | | |
|--|------------|----------------|--------|-----------|----------|------|---------|--------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Preparation of State Municipal Accounting Manual | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Manual Approval & Adoption by the Local Body | 1.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Listing the assets and liabilities of ULB Level | 1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Valuation of Assets | 1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Preparation of Opening Balance Sheet | 1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Migration to DEAS | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Appointment of Audit Officers/CA/Cadre | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |



| Municipal Accounting | Max. Score | Assigned Score | | | | | | |
|----------------------|------------|----------------|------------|------------|------------|------------|------------|------------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Total Score | 10 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |

| Property Tax | Max. Score | Assigned Score | | | | | | |
|---|------------|----------------|----------|-----------|----------|----------|----------|----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Notification/Amendment of Act on collection of Property tax | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Extending of property tax to all properties | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Posting of tax details in the public domains & migration to standardized self-assessment system of property taxation on the basis of periodic revisions and review of rates | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Setting up non-discretionary method for determination of property tax (unit area method or capital value method) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Coverage (85%)* | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Collection efficiency (90%)* | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total Score | 10 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |

| User Charges | Maximum Score | Assigned Score | | | | | | |
|--|---------------|----------------|--------|-----------|----------|------|---------|--------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Formulate & Adopt a policy on User Charges | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |



| User Charges | Maximum Score | Assigned Score | | | | | | |
|--|---------------|----------------|----------|-----------|----------|----------|----------|----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Separate Accounting System for User Charges - Water Supply * | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Separate Accounting System for User Charges - SWM * | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Collection O&M Charges (WS)* | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 2 |
| Collection O&M Charges (SWM)* | 4 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Score | 10 | 6 | 5 | 5 | 5 | 5 | 5 | 4 |

| Internal Earmarking of funds | Maximum Score | Assigned Score | | | | | | |
|--|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Formulate & Adopt a policy on earmarking of funds for urban poor | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Creation of separate Municipal budget for "Services to the Urban Poor" | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Targeted expenditure (20-25%) | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Actual spent as % of budget | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |



| Provision of Basic Service to Urban Poor | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Creation of database of Households | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Whether municipal budget has provided any funds to achieve 7 point charter service listed below | | | | | | | | |
| Housing | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Water Supply | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Sanitation | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| SWM | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Primary Education | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Healthcare | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Social Security | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

1.4.4 Optional Reforms

| Introduction of Property Title Certification System in ULBs | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|--------|-----------|----------|------|---------|--------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Arrangement for reflecting property titles in a legal framework | 2.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Arrangement for Adjudication for property title disputes | 2.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Notification of rules for smooth implementation | 2.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Setting up administrative system/process | 2.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



| | | | | | | | | |
|--------------------|-----------|----------|----------|----------|----------|----------|----------|----------|
| Total Score | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|--------------------|-----------|----------|----------|----------|----------|----------|----------|----------|

Note: While the property record system based on revenue records are in place, there is no system introduced at the ULB level so far and hence the above reform has been scored as nil

| Revision of Building Bye Laws - streamlining the approval process | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Notification of building byelaws in public domain | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Establish adjudication system for resolving disputes | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Time frame for approval process | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

| Revision of Building bye laws - to make rain water harvesting mandatory | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Building bye laws to mandatorily provide for rain water harvesting | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Dissemination of such bye laws through website | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Start of approval as per the new building byelaws | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |



| Earmarking 20-25% developed land in all housing projects for EWS/LIG | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Notify the reservation of land b/w 20 and 25 % in housing projects (Public/Private) | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Review and revise building bye laws to reflect to earmarked land to EWS/LIG | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Engaging with state departments for implementing EDL (earmarking developed land) | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

| Simplification of legal and procedural framework for conversion of agricultural land for non-agricultural purpose | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Availability of legal framework for conversion of agricultural land for non-agricultural purpose | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Notification of rules and processes | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Establish adjudication system for resolving disputes | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |



| Introduction of computerized process of Registration of land and Property | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Computerized registration of land and properties | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Capturing of photo of seller & buyer | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Creation of database system | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Total | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

| Byelaws on reuse of Recycled Water | Maximum Score | Assigned Score | | | | | | |
|---|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Building Byelaws to mandatorily reflect reuse of recycled water | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Dissemination through website | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

| Administrative Reforms | Maximum Score | Assigned Score | | | | | | |
|--|---------------|----------------|--------|-----------|----------|------|---------|--------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Rules notified for Personnel Management System in local bodies | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Grievance management system | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Computerization of administrative activities | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Training and skill building initiatives | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Encourage Outsourcing of Municipal Activities | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |



| Administrative Reforms | Maximum Score | Assigned Score | | | | | | |
|------------------------|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

| Structural Reforms | Maximum Score | Assigned Score | | | | | | |
|--|---------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Creation of municipal cadre | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Standing committee for municipal matters | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Involvement of elected representative in decision making process | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Dispute resolution mechanism | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Score | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

| Encouraging Public Private Participation | Maximum Score | Assigned Score | | | | | | |
|--|---------------|----------------|----------|-----------|----------|----------|----------|----------|
| | | Lucknow | Kanpur | Allahabad | Varanasi | Agra | Mathura | Meerut |
| Project initiatives planned | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Setting up PPP cell at state level | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Formulation of PPP policies and governance framework | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total Score | 10 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |



1.5 Issues in reform implementation

The key issues that have been identified for reform implementation have been summarized in the following sections.

1.5.1 Overlapping institutional framework

Currently, several agencies are playing a role in reform implementation at both the state level and the ULB level. The presence of several institutions in the process calls for close coordination between the agencies in order to avoid duplication of responsibilities. The presence of multiple agencies also creates an environment which makes it easy to shy away from taking responsibility.

For instance, the building regulation related functions have not been devolved to 106 ULBs, which include the mission cities as well. The reform items related to building regulation have to be coordinated with the para-statal agency handling those functions; this leads to the wastage of time and resources, which could have been effectively deployed.

The BSUP-related reforms are being implemented with assistance from DUDA. The ULBs have a limited role to play in the whole process and DUDA still is in the process of analysing the results of the household surveys that have been completed recently. Credible benchmarking of the existing service levels cannot be undertaken without these analyses. The current benchmarking (through rapid surveys) are at best partially representative.

However, the Directorate of Local Bodies has been working hard to ensure that all agencies are on the same page when it comes to reform implementation. The DLB organizes regular meetings and discussions to ensure that any and all issues with respect to multiple agencies are deliberated and ironed out at the earliest so as not to impact reform implementation pace.

1.5.2 Limited capacities at ULB level

It has been observed that there are significant gaps in capacities at the ULB level. This adversely affects the reform implementation process and will also have a notable impact on the sustainability of the reforms at the ULB levels.

The state has been deliberating on the creation of capacities at the ULB level to ensure that the reform implementation process is not impacted and that the reforms are sustained. The state is in the process of creating key positions for technically qualified and skilled staff at the ULB level to ensure that the momentum created by the reforms continues and sustainability is achieved.

For instance, the functions of urban planning, building regulation, and fire services require skilled and technically qualified manpower to execute the same. However, the ULBs have no such manpower to execute these functions. As a part of the implementation of the 74th Constitutional Amendment, these functions are to be transferred to the ULBs. The state machinery has been in a quagmire over the transfer of these functions to ULBs without the requisite capacities.

Additionally, many of the ULBs are facing a manpower crunch on account of retirement of personnel. With a freeze in recruitment, the existing manpower is stretched and expected to perform additional functions.



1.5.3 Focus on ‘targets’ rather than sustainable processes

A key issue that has been observed is that the current mind-set among all stakeholders in the reform process is to focus on ‘targets’, i.e., meeting the commitments made. This is a useful approach since it allows stakeholders to focus on the most important tasks at hand in order to achieve their commitments.

However, this concentrated focus has meant that the emphasis on building sustainable processes that will help stakeholders discharge their functions better, has been given a miss. It may not have been deliberate, but the reform process is being seen as a one-time programme where ‘requirements’ are to be met, rather than as an opportunity to bring about lasting changes to the overall system that will render urban habitats more efficient and liveable.

1.6 Suggestions and recommendations

The suggestions and recommendations have been divided into three distinct parts, viz. actions required at the Mission Directorate level, actions required at the state level, and actions required at the ULB level.

1.6.1 Actions required at Mission Directorate level

- Increase handholding support

It is increasingly becoming necessary to provide handholding support to both the state and the ULBs in order to impact the reform process more positively. The state, as well as the ULBs, has clearly expressed the need for increased handholding support for reform implementation.

- Facilitate peer learning to improve the reform implementation processes

Peer learning will help the state as well as the ULBs in sharing and learning from the “best practices” that have been adopted in other places. This is critical since many of the stakeholders have expressed a feeling of having hit “roadblocks” on some issues in reform implementation.

The Mission Directorate could utilize the platform of the Peer Experience and Reflective Learning (PEARL) programme as well as develop other mechanisms to facilitate sharing and learning amongst the states and ULBs.

- Push for ‘looking beyond’ reform implementation rather than for achieving “commitments”

It will be helpful if the state and ULBs now focus on creating a platform for sustainability rather than on just keeping “commitments”.

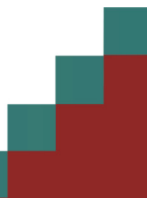
1.6.2 Actions required at the state level

- Transfer functions to ULBs at the earliest to initiate capacity creation

The state should transfer the four functions, viz. urban planning, building regulation, fire services, and public transport to the remaining 106 ULBs at the earliest in order to identify the needs for capacity creation and to put in place strategies for the same. This will also allow ULBs to take comprehensive responsibility for the city.

For urban planning and building regulation functions, the easier approach would be to separate the jurisdictions of the development authorities and the ULBs and allow complete control of each entity over its respective jurisdiction.

- Facilitate inter-agency learning





While regular reviews of reform implementation are organized at the state level, it is now important for the state to organize focussed sessions on sharing of experiences, and thereby create a platform for learning. This will help the ULBs and the state machinery to deliberate on issues that are most critical to reform processes and will also facilitate better processes to be used at ULB levels for implementation.

- Focus on coordination

The state should incrementally focus on improving coordination between all agencies that are part of the reform implementation process. This is critical since at the ULB level, the ULB itself, the development authority, and DUDA play key roles in implementing reforms.

1.6.3 Actions required at the ULB level

1.6.3.1 Sharpen focus on reforms that are lagging

- User charges

Most ULBs have started implementing user charges for SWM. However, most ULBs should formulate clear policy guidelines to effectively levy user charges for services such as water. The accounting of O&M costs needs to be streamlined with inclusion of electricity charges. The groundwork for levying volumetric water tariffs should be initiated through outreach programmes with the help of community institutions in order to check resistance when the charges are eventually implemented.

- Earmarking of funds for poor

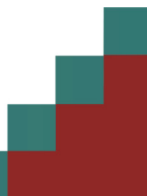
This is a critical area of concern since most ULBs have not been able to meet most of the reform milestones for this agenda. Though separate budget codes have been adopted by most of the ULBs, the earmarking currently being practiced does not fulfil the objectives of the reform agenda. It might be also useful to request for handholding support in this area of reform.

1.6.3.2 Focus on coordination

It is critical that ULBs put in focused efforts to coordinate the work of various agencies that are party to the implementation process. This is also critical to identify issues, hurdles, and bottlenecks likely to come up in the process of implementation at an early stage, so that mitigation measures can be put in place to keep the momentum of reform implementation from slipping.

1.6.3.3 Engage in a constructive dialogue with citizens

The ULBs should also engage the citizens in a constructive consultation process in order to solicit support from the people at large in achieving the reform agendas. This would not only help the ULB clear critical hurdles like protests against revision of guidance values of Property Tax but also further strengthen the process of reform implementation.





2. State level reforms

2.1 Overall progress

The state government has made significant progress in implementing state level reforms. 4 state level reforms have been achieved and require no further action.

For the reforms in progress, a large proportion of the necessary activities have been carried out. However, the state will now need to proactively work upon areas where actions are required so as to ensure that the remaining reforms are completed in the timelines.

2.1.1 Key Achievements

Uttar Pradesh has been able to complete and achieve some of the reforms within the stipulated timelines. These have been briefly outlined below:

- Rent control law of UP has been amended in accordance with the requirements of the reform agenda. The state officials reported that the Mission Directorate of JNNURM has also agreed with state's position that the rent control laws have been suitably modified to achieve key objectives of the reforms
- Urban Land Ceiling and Regulation Act (ULCRA) has been repealed in Uttar Pradesh
- Stamp duty has been reduced to 5% as required by the reform agenda
- Community Participation Law has been achieved through necessary amendments in both Nagar Nigam and Nagarpalika Parishad Act for formation of ward committees. Ward Committees have been formulated in all the seven UIG towns
- Public Disclosure Law implementation has been initiated by disclosing the balances sheets for ULBs in their respective websites

2.1.2 Key areas of focus

Some of the key areas that Uttar Pradesh needs to focus upon have outlined below:

- 74th Constitutional Amendment and Urban Planning & Service Delivery

Transfer of Fire, Public Transport, Building Regulation and Urban Planning functions (in 106 ULBs) related functions needs to be effected as early as is possible in order to allow the ULBs function and provide services in a more holistic manner. Though the state has indicated that these functions will not be transferred to the ULBs, it might be plausible to consider separating out jurisdictions of the Development Authorities and ULBs to allow each entity complete control over development process in their jurisdictions with specific reference to urban planning and building regulation functions.

The state will also need to focus upon key areas of current institutional overlap (ULBs, Development Authorities, DUDA and SUDA working in the same areas and for functions that are should be in the ULBs' ambit), capacity building of ULBs in order to carry out the remaining functions and putting in place a strategy for areas outside the jurisdiction of the ULBs.

- Public Disclosure Law

Necessary legislative amendments have been effected to usher in more transparency at the through the PD Law and most of the ULBs are being encouraged to make information easily available to public as far as is possible



ULBs have been disclosing information on various aspects such as projects, works, and service level benchmarks. The disclosure of financial statements is a key to the core objectives of the reform. The ULBs will be in a position to disclose financial statements once they have been prepared the same fully.

2.2 Progress summary

The following sections provide a summary of the progress achieved in implementation of reforms at the state level.

2.2.1 Reforms achieved

Uttar Pradesh has been able to achieve 4 reforms out of the 7 reforms mandated for the state level. The reforms that have been achieved have been described in order.

- Rent Control Law

Rent control legislation has been modified in line with the objectives of the reform agenda put forth by JNNURM. The state has also clarified this with the Mission Directorate and it was reported that Mission Directorate has accepted the state's position on this reform and hence it can be deemed to be complete.

- Repeal of ULCRA

ULCRA has been repealed in Uttar Pradesh in the stipulated timelines.

- Reduction of Stamp Duty to 5%

The stamp duty in Uttar Pradesh has been reduced to 5% within the stipulated timelines.

- Community Participation Law

Amendments to act have been made for formation of ward committees and ward committees have been constituted in all seven UIG cities.

- Public Disclosure Laws

ULBs have commenced disclosure of their financial statements (OBS as well as provisional balance sheets) on their websites as mandated by the law.

2.2.2 Reforms in progress

Uttar Pradesh has made significant progress on the remaining 3 reform agendas. The reforms in progress have been outlined below:

- 74th Constitutional Amendment (Transfer of 12th Schedule Functions)
 - ◆ Most 12th Schedule functions have been transferred with the exception of Fire, Urban Planning, Building regulations and Public Transport.
 - ◆ Metropolitan Planning Areas have been notified and rules have also been notified.
- Urban Planning and Service Delivery
 - ◆ The urban planning and service delivery functions have transferred to all ULBs with the exception of 106 ULBs where there are parallel institutions that execute this function. *State has reiterated that for these 106 ULBs, the functions will not be transferred due to the presence of para-statal agencies that have been constituted under the planning legislation of the state.*



2.3 Issues in reform implementation

The state while implementing the reforms in progress is likely to face some critical issues that will need to be tackled proactively in order to optimally fulfil the reform agenda. The following sections will highlight some of these issues that Uttar Pradesh is likely to encounter.

2.3.1 Overlapping institutional framework

Currently, 106 ULBs in Uttar Pradesh have multiple institutions functioning in the domain areas which should be under the purview of the ULBs if the 12th Schedule functions are fully transferred.

The Development Authorities and other such para-statal agencies operate within the jurisdiction of the ULBs thereby creating an overlap of functions relating to urban planning and building regulation. The key reasons for the delay in transfer of these functions have been outlined below:

- The para-statal agencies also serve areas that are outside the jurisdiction of the ULBs. In the event that these functions are transferred to the ULBs, there will need to be strategy worked out for the areas outside the ULB jurisdiction.
- The staffs in these para-statal agencies are employed based on state recruitment rules and salaries. They might not be readily willing to work at the ULB levels in lower salaries.

The fire services are exclusively handled by the Police in Uttar Pradesh. The discussions with key state officials reveal that currently there is no plan to transfer these functions to ULBs. One of the key reasons offered is that these services also need to be provided in areas that are outside the ULB jurisdiction and hence there is a need for an overarching institution to handle these functions.

Public transport functions are handled by the Uttar Pradesh State Road Transport Corporation (UPSRTC). The ULBs have no role in the transport functions except for creating passenger infrastructure (bus stops). This function also ideally should be with the ULBs.

2.3.2 Capacity Building

Capacity building at the ULB level will be a key challenge that the state government will face in implementing the reform agenda. Capacity building initiatives will be required at several levels within the ULBs in order to fully realize the benefits of the reforms.

Further, institutional capacity building measures will also be required in order to facilitate creation of capacities at the support staff level for all the above mentioned functions.

2.3.3 Stepping up pace of ULB level reforms

This is perhaps the most critical agenda that the state will need to pay close attention to. The ULB reforms are inter-linked with the state level reforms. If ULB level reforms are not implemented in a timely manner, it will have an impact on the performance in the state level reforms.

2.4 Suggestions and recommendations

Based on the assessments carried out during the field visits to Uttar Pradesh for appraisal of reforms, various issues have come to the fore some of which have been summarized in the previous section. The suggestions and recommendations that the state should consider have been outlined in the following sections.



2.4.1 Develop an action plan for transfer of functions and empowerment of ULBs

As has been highlighted in the previous section, the state needs to transfer the following functions to the ULBs at the earliest viz. Urban Planning, Building Regulation, Fire services and Public Transport. In order to transfer these functions to the ULBs, the state must chalk out an action plan and a detailed step-wise process that will be required for transfer these functions.

A few suggestions have been offered below:

The state should consider creating an Advisory Group (or a board or any such suitable institutional measure with adequate powers) which will

- Develop a roadmap for the transfer of functions to the ULBs
- Identify critical structural, administrative and manpower related requirements at the ULB level to enable them to perform these functions
- Guide and oversee the gradual transfer of these functions to the ULB
- Create an environment wherein ULBs will be encouraged to learn the nuances of implementing and undertaking these functions on a routine basis.

In addition, the state should also consider creating requisite positions in the ULBs through a cadre or other such necessary measures. The advisory group would work in close coordination with the ULBs as well the para-statal agencies and would attempt to create an environment in which ULBs are able to learn from the para-statal agencies on the nuances of implementing and undertaking these functions.

2.4.2 Engage ULBs proactively

It will be prudent to create a platform to engage ULBs more actively for achieving key reforms like public disclosure and community participation. ULBs should be pushed to achieve key reforms that hamper the fulfilment of the public disclosure related milestones.

ULBs should also be educated about the essence and necessity of community participation. Ward committees and their necessity should be explained to the ULBs and they in turn should be encouraged to spread awareness regarding the same to the citizens.

2.4.3 Facilitate better coordination amongst agencies

One of the key tasks with the state administration is to facilitate among the multiple agencies that are working towards the implementation of JNNURM reforms. The ULBs are the entities on whom the key onus of implementing the reforms lies. The performance of other agencies on the reform agendas will also impact the overall status that the ULBs will be able to report. Hence, it is critical that there is seamless coordination between agencies working on the same agenda.





3. Appraisal of State Level Reforms

3.1 S1 – Implementation of 74th Constitutional Amendment

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---|---------------------------|---|
| Implementation of 74th CAA | 2011-12 | In progress | Urban planning, building regulation, fire services, and public transport functions have not been transferred to 106 (of 623) ULBs. |
| Municipal elections | No timeline indicated | Completed | Municipal elections were held in 2006. |
| Constitution of DPCs | No timelines indicated | Completed as per timeline | DPCs were made functional in 2007-08. |
| Constitution of MPCs | No timelines indicated | In progress | MPCs are to be constituted by 2011-12. Provision for the creation of MPC has been inducted in the Nagar Nigam Act. As per section 57A, in every metropolitan area, a Metropolitan Planning Committee will prepare a Draft Development Plan for the metropolitan area as a whole. The metropolitan area of five KAVAL towns and Meerut City has been notified. The rules have also been notified. MPC constitution can happen only after the ULB and State Assembly elections. |
| Constitution of SFCs: Acceptance and implementation of its recommendations | No timelines indicated | Completed | Recommendations of two State Finance Commissions, which were constituted earlier, have already been implemented by the State Government. The recommendations of the 3rd SFC have been accepted and implementation has started. |
| Resolution by Government for convergence of urban management functions with ULBs | No timelines indicated (was to be resolved within six months of signing of the MOA) | In progress | Core municipal functions have been already transferred to the ULBs. There are exceptions relating to Fire, Urban Planning, Building Regulations, and Public Transport which are still being performed by para-statal agencies. |
| Transfer of functions as listed in the 12th schedule of the 74th CAA | | | |
| <ul style="list-style-type: none"> ▪ Urban Planning including town planning | 2011-12 | In progress | There are 630 ULBs in the state. This function is performed by all ULBs except 106 (74 regulated |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|------------------------|--|
| | | | areas, 27 development authorities, and 5 special area development authorities) where it is carried out by the concerned development authorities and regulated areas. |
| <ul style="list-style-type: none"> Regulation of land-use and construction of buildings | 2011-12 | In progress | Function is yet to be transferred to 106 ULBs which have development authorities and regulated area authorities. |
| <ul style="list-style-type: none"> Planning for economic and social development | 2010-11 | In progress | ULBs largely have no role to play in the performance of these functions since the planning activities are all handled by various para-statal agencies. |
| <ul style="list-style-type: none"> Roads and bridges | No timelines indicated | Completed | This function already rests with ULBs. |
| <ul style="list-style-type: none"> Water supply – domestic, industrial and commercial | No timelines indicated | Completed | The Jal Sansthan has been dissolved and merged into Nagar Nigam. A detailed Govt. order dated 04.02.2010 has been issued regarding the functioning of the Jalkal Vibhag. |
| <ul style="list-style-type: none"> Public Health, sanitation, conservancy and solid waste management | No timelines indicated | Completed | This function already rests with the ULBs. |
| <ul style="list-style-type: none"> Fire Services | 2011-12 | In progress | Fire services are currently undertaken by the police. The discussions with state-level officials revealed that this function is likely to remain with the police. ULBs have been asked to prepare a fire hazard response and a mitigation plan for their jurisdiction. |
| <ul style="list-style-type: none"> Urban forestry, protection of environment and ecology | 2010-11 | In progress | The ULB would perform this function in consultation with the State Forest Department. Plantation on dividers road side land and other available open land is done by ULB. |
| <ul style="list-style-type: none"> Safeguarding the interests of weaker sections society including the physically and mentally challenged | 2008-09 | In progress with delay | The ULB would perform this function in consultation with the Social Welfare Department and by earmarking the funds and the scheme executed by SUDA/DUDA. |
| <ul style="list-style-type: none"> Slum improvement and Upgradation | 2006-07 | Completed | The local bodies are performing this function and allocation has been made in the budgets of the local bodies. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|------------------------|----------------|--|
| <ul style="list-style-type: none"> Urban poverty alleviation | 2006-07 | Completed | Local bodies have been empowered to select beneficiaries for special projects for the urban housing and employment programme. ULBs have also been empowered to take up infrastructure development in the urban poor areas. The Chairman of the ULB has a representation on the governing body of the DUDA which undertakes special projects relating to urban poverty alleviation. |
| <ul style="list-style-type: none"> Provision of urban amenities – parks, gardens, playgrounds etc. Promotion of cultural, educational, and aesthetic aspects Burials and burial grounds, cremations, cremation grounds and electric crematoriums Cattle pounds, prevention of cruelty to animals Vital statistics including registration of births and deaths Public amenities including street lighting, parking lots, bus stops and public conveniences Regulation of slaughter houses and tanneries | No timelines indicated | Completed | These functions are already with ULBs |

3.1.1 Issues in implementation of the reform

The state of Uttar Pradesh, by virtue of the municipal legislation, has been able to transfer a large proportion of the 12th Schedule functions to the ULBs with the exceptions of Fire, Urban Planning, Building Regulation and Transport.

Some key overarching issues are likely to emerge when the state finally transfers all these functions to the ULBs. These functions have been summarized below:

- Functions related to Fire, Urban Planning and Building Regulation (for 106 ULBs), Public Transport, Urban Forestry and Social and Economic Planning remain to be transferred to the ULBs. However, the state has reiterated that for these 106 ULBs, urban planning functions will



continue to be in the ambit of para-statal planning agencies which have been constituted under the planning legislation of the state.

- There may be a severe lack of capacity at the ULB level to handle these functions which require technically qualified personnel. For instance, the urban planning and building regulation functions will require qualified and experienced urban planners with architecture and engineering backgrounds.
- A mechanism may be necessary to calibrate and synchronize the plans (for any of the services) with various institutional entities that may be in place when the final transfer of functions takes place.

3.1.2 Action required by state government

In order to iron out the key issues that the state will face when the transfer of functions is taken up, the following actions may become necessary for the state:

- Clearly identify key technical and managerial manpower that will become necessary to execute these functions upon their eventual transfer.
- Create an intermediate institutional framework to transfer these functions. For instance, a board can be put in place for transfer of urban planning and building regulation functions. The Board will oversee the transfer of functions as well as necessary capacity-building at the ULB level.

3.1.3 Additional handholding support required

Handholding may become necessary in terms of facilitating learning from other states where such a transfer of functions has already taken place. The handholding can also come in the form of learning from states which already have a clearly demarcated set of roles for multiple institutions performing the same kind of function.

3.2 S2 – Integration of City Planning and Delivery Functions

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|------------------------|---|
| Integration of City Planning and Delivery Functions | 2011-12 | In progress | City planning, building regulations, fire services, and public transport-related functions have not been transferred to 106 ULBs. <i>These functions will not be transferred to the ULBs since there are functional para-statal agencies, constituted under the planning legislation of the state.</i> |
| Resolution by Government expressing commitment to assign or associate ULBs with the city planning function | No timelines indicated | In progress with delay | The ULBs have a representation on the Advisory Council of the Development Authority. However, there is no specific GO which mandates assigning city planning functions to ULBs. |
| When will the city plans be placed before the MPC/DPC | 2007-08 | In progress with delay | Metropolitan planning areas have been notified. MPC rules have been notified. Plans can be placed before MPCs only |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|------------------------|---|
| | | | after MPC formation which will be post-ULB and Assembly elections. |
| Steps taken to integrate ULBs with the city planning function | No timelines indicated | In progress | The Municipal Commissioner is a part of the committee that prepares and approves the Master Plan of the Development Authority. However, there is no clear plan for the transfer of planning functions to 106 ULBs where there are other institutions who carry out this function. |
| <ul style="list-style-type: none"> ▪ Land-use and spatial planning ▪ Development of new areas | | | |
| Basic infrastructure services | | | |
| <ul style="list-style-type: none"> ▪ Water supply, sewerage and sanitation | No timelines indicated | Completed | These functions already rest with ULBs. |
| <ul style="list-style-type: none"> ▪ Traffic and transport services | No timelines indicated | In progress with delay | Road development is vested in ULBs. The transport function is executed by Uttar Pradesh State Road Transport Corporation (UPSRTC). |
| <ul style="list-style-type: none"> ▪ Renewal of inner city areas | No timelines indicated | In progress with delay | This function essentially relates to the planning and implementation of revitalization plans prepared by the Planning Department. This function does not lie with ULBs. |
| <ul style="list-style-type: none"> ▪ Heritage conservation | No timelines indicated | Completed | This function already rests with ULBs. |
| <ul style="list-style-type: none"> ▪ Building regulation | No timelines indicated | In progress with delay | This function is not given to 106 ULBs which have other authorities to perform the same function. |
| <ul style="list-style-type: none"> ▪ Socio-Economic planning | No timelines indicated | In progress with delay | For 106 ULBs that do not perform the planning function, this has not been transferred. |
| Steps taken to integrate ULBs with the delivery of services | | | |
| <ul style="list-style-type: none"> ▪ Urban planning ▪ Land-use and spatial planning ▪ Development of new areas ▪ Regulation of land-use and construction of buildings ▪ Socio-economic planning | No timelines indicated | In progress with delay | In the case of 106 ULBs, this function has not been transferred. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|------------------------|------------------------|---|
| <ul style="list-style-type: none"> ▪ Infrastructure such as water supply, sewerage and sanitation | No timelines indicated | Completed | Already with ULBs |
| <ul style="list-style-type: none"> ▪ Roads and bridges | | | |
| <ul style="list-style-type: none"> ▪ Water supply | | | |
| <ul style="list-style-type: none"> ▪ Public health, sanitation and SWM | | | |
| <ul style="list-style-type: none"> ▪ Fire services | No timelines indicated | In progress with delay | This function is vested in the Police. |
| <ul style="list-style-type: none"> ▪ Urban forestry | 2010-11 | Completed | The ULB would perform this function in consultation with the State Forest Department. Plantations on dividers, roadside land, and other available open land are done by ULBs. |
| <ul style="list-style-type: none"> ▪ Safeguarding the interests of weaker sections | 2008-09 | Completed | |
| <ul style="list-style-type: none"> ▪ Slum improvement and upgrading | 2006-07 | In progress | State Urban Development Authority (SUDA) is expected to work in consultation with ULBs. |
| <ul style="list-style-type: none"> ▪ Urban poverty alleviation | | | |
| <ul style="list-style-type: none"> ▪ Provision of urban amenities such as parks and playgrounds | No timelines indicated | Completed | These functions already rest with the ULBs. |
| <ul style="list-style-type: none"> ▪ Promotion of cultural, educational, and aesthetic aspects | | | |
| <ul style="list-style-type: none"> ▪ Burial grounds and crematoria | | | |
| <ul style="list-style-type: none"> ▪ Cattle pounds | | | |
| <ul style="list-style-type: none"> ▪ Registration of births and deaths | | | |
| <ul style="list-style-type: none"> ▪ Public conveniences including street lighting, parking lots, etc. | | | |
| <ul style="list-style-type: none"> ▪ Regulation of slaughter houses | | | |





3.2.1 Issues in implementation of the reform

With reference to city planning and service delivery functions, some key issues emerge based on the appraisal carried out. The state will need to proactively work towards finding solutions to these key issues.

Institutional overlap

Though the ULBs do find a representation on the committee that approves development plans for cities, there is almost no role for the ULBs in the preparation of these plans.

Further, functions related to the provision of services to the urban poor, slum up-gradation and poverty alleviation are to be executed in consultation with the SUDA and DUDA. Currently, the majority of the capital works are being undertaken by DUDA and the intervention of the ULBs, if any, is limited.

Capacity-building at ULB level

As has been highlighted in Section 3.1.1, capacity-building at the ULB level will be a key issue when functions are fully transferred to the ULBs.

3.2.2 Action required by state government

A set of key actions required to be taken by the state have been summarized in Section 3.1.2. Further, there is a need for the state to clearly demarcate the roles that SUDA and DUDA are likely to play with respect to the urban poor and poverty alleviation in urban areas.

3.2.3 Action required by ULB if any

The ULBs need to start engaging the state in a dialogue on the possible ramifications of the transfer of functions to the ULBs and the key measures that would be required to mitigate the impacts of this transfer.

3.2.4 Additional handholding support required

Please refer section 3.1.3

3.3 S3 – Rent Control Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|------------------------|------------------------|---|
| Rent Control Reforms | 2009-10 | Completed ² | Rent control legislation has been amended to reflect changes in line with the objectives of the reform agenda |
| Resolution by Government expressing commitment to establish new Rent Control system | No timelines indicated | Completed | Resolved on 6th March, 2009 |

² This reform is deemed to be complete based on the reporting of the state that the Mission Directorate has accepted the state's position that suitable changes have been made to existing Rent Control Legislation in line with the objectives of the reform agenda



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|---|
| Defining the Rights and Obligations of landlords and tenants | 2006-07 | Completed | There are sufficient provisions under U.P. (Regulation of Letting, Rent and Eviction) Act, 1972 (UP Act No. 13 of 1972) regarding the rights and obligations of landlords and tenants. |
| Rights of landlord to get possession back | | | Under Sections 21 and Section 16 (1) (b), there are sufficient grounds for the vacation of the premises under tenancy, if the landlord requires bonafide. Further, if it is occupied by someone other than a tenant, i.e., an unauthorized occupant, the landlord will get the benefit of the release of the premises in his favour under this Act. |
| Rights of tenants to continue their tenancy | | | The tenant enjoys the right to tenancy unless and until evicted by the prescribed authority on the grounds as mentioned in Section 21 of the U.P (Regulation of Letting, Rent and Eviction) Act, 1972. |
| Obligations of tenants with regard to regular rental payments/ maintenance of tenanted property/ adherence to lease agreements, if present | | | Sections 26 and 27 of the Act of 1972 already exist. Under the current Act, the landlord is bound to give to the tenant a receipt for the rent received. Further, he is also bound to keep the building under tenancy, wind-proof and water-proof as well as organize periodical white-washing and repairs. |
| Provision for periodic review of rentals, in accordance with market conditions | | | The rentals are fixed on the basis of "Agreed Rent." The basis is normally the rent decided as per the District Magistrate's Circle Rate, which is revised mandatorily after every two years and even earlier. |
| Establishing a new Rent Control legislation | | | |
| Setting up a Committee/Team to draft/amend legislation | 2006-07 | Completed | Committee constituted |
| Stakeholder consultations | 2007-08 | Completed | Consultations with several stakeholders have been organized. |
| Preparation of Draft legislation | 2007-08 | Completed | Draft legislation has been prepared. |
| Approval of the Cabinet/ Govt | 2007-08 | Completed | |
| Final enactment of the legislation by legislature | 2008-09 | Completed | |
| Notification | 2008-09 | Completed | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|------------------------|------------------------|--|
| Preparation and notification of appropriate subordinate legislation | 2008-09 | Completed | |
| Implementation by municipality (ies) | 2009-10 | In progress with delay | Rent control is not a Municipality subject in U.P.; Food and Civil Supplies Department deals with it. |
| Please indicate periodicity of revision of rents/rental value guidance, and when next due | No timelines indicated | Completed | Revision of rentals is as per the District Magistrate's Circle Rate, which is revised every two years. |
| Setting up mechanism for periodic review of rents/ rental value guidance | 2009-10 | Completed | Revision of rentals is as per the District Magistrate's Circle Rate which is revised every two years. |
| Institute dispute resolution mechanisms (e.g. special tribunals/ courts, etc.) | 2009-10 | Completed | Provision has been provided in the U.P. (Regulation of Letting, Rent and Eviction) Bill, 2010. |

3.3.1 Issues in implementation of the reform

No major issues have been identified in the implementation of this reform. However, a few concerns need to be highlighted. One key concern is that the ULBs have no role to play in the Rent Control framework as is expected in the reform agenda.

3.3.2 Action required by state government

No major actions are necessary except for developing a strategy to involve ULBs in the implementation of the Rent Control Act.

3.4 S 4 – Rationalisation of Stamp Duty

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|----------------|--|
| Rationalisation of Stamp Duty to 5% | 2009-10 | Completed | State has reduced the Stamp Duty to 5% |
| Resolution by Government expressing commitment to reduce Stamp Duty to 5% (or less than 5% if the state so desires) within the Mission period. The resolution should provide the timetable for reducing the Stamp Duty in a phased manner, i.e., year-wise | No timelines indicated | Completed | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|----------------|--|
| Fix the periodicity for revising the guidance value for levy of Stamp Duty | No timelines indicated | Completed | Revision in guidance value every 2 years |
| Indicate the time-table for reducing the Stamp Duty rate to 5% | 2006-10 | Completed | The Stamp Duty has been reduced to 5%. |

3.4.1 Issues in implementation of the reform

This reform has been achieved and hence no issues are foreseen. One area of concern that needs to be deliberated is the impact of the Goods and Services Tax (GST) that will be levied by the Central Government which will make the Stamp Duty regime obsolete.

Another issue relating to Stamp Duty that has come to the fore is that ULBs can, using their discretionary powers for financial resource-raising, choose to levy an additional 2% Stamp Duty on transactions over and above the reduced Stamp Duty of 5%. This can work in contravention of the reform objectives of reducing the Stamp Duty in the first place.

3.5 S 5 – Repeal of Urban Land Ceiling and Regulation Act (ULCRA)

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|------------------------|----------------------|-------------------------------------|
| Repeal of ULCRA | | | |
| The State must pass a resolution for the repeal of ULCRA within 6 months of signing of MOA under JNNURM and a copy submitted to MOUD. | No timelines indicated | Completed in advance | ULCRA has been repealed |
| The State legislature to pass a resolution in compliance with the repeal of ULCRA Act passed by the Parliament in 1999 | | | |
| Notification by the State Govt. | | | |

3.6 S 6 – Community Participation Law

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|------------------------------------|-------------|----------------------|---|
| Community participation law | 2008-09 | Completed with delay | Legislative measures have been undertaken and rules have been |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|----------------|--|
| | | | amended to provide for Ward Committee formation. However, no ward committees have been formulated as yet. |
| Resolution to establish new Community Participation Law | No timelines indicated | Completed | The amendments in the Nagar Nigam Act, 1959 and the Nagar Palika Act, 1916 have been incorporated for the constitution of a ward committee for each ward in a Municipality. The Uttar Pradesh Municipality (Ward Committee) Rules, 2009 have also been formulated. |
| Number of tiers intended to be established in a municipality | | | One ward committee for each ward within a ULB |
| Composition of each tier | | | |
| <ul style="list-style-type: none"> ▪ Municipality | | Completed | Mayor/Chairman and councillors |
| <ul style="list-style-type: none"> ▪ Intermediary regional platform, e.g., wards/borough/zonal committee) | | Completed | Ward councillors and members of public |
| <ul style="list-style-type: none"> ▪ Ward Committee | | Completed | One ward councillor and members of public |
| Area Sabhas | | No initiative | This composition is not intended. |
| Time schedule for enactment of Community Participation Law or amendment | 2006-07 | Completed | The amendments in the Nagar Nigam Act, 1959 and the Nagar Palika Act, 1916 have been incorporated for the constitution of a Ward Committee for each ward in a Municipality. The Uttar Pradesh Municipality (Ward Committee) Rules, 2009 have also been formulated. |
| Notification of rules pertaining to Community Participation Law | 2008-09 | Completed | |
| Interim process for community participation in municipal functions while Community Participation Law is being formulated | | Completed | Ward Committees have been constituted and hence there is no need for an intermediate process. |



3.7 S 7 – Public Disclosure Law

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|------------------------|------------------------|--|
| Public Disclosure Law | 2007-08 | Completed with delay | Sets of information have been disclosed, viz., CDP, MoAs, names and contacts for officials, the citizen's charter, etc. Most of the ULBs are now also disclosing their OBS as well as provisional balance sheets |
| Resolution to Formulate & Adopt policy on Public Disclosure | No timelines indicated | Completed | The U.P. Municipality Public Disclosure of Information Rules 2009 has been formulated. |
| Disclosure of Financial Statements | | Completed | All financial information is within the purview of the Public Disclosure Information Rules. |
| Disclosure of Audited Financial Statements & Audit Reports | No timelines indicated | Completed | Information has been published in newspapers and has also been put up on the ULB website. |
| Time period for disclosure of annual audited financial statement | | In progress with delay | Within six months of end of financial year. |
| Disclosure of Quarterly Audited Financial Statements (AFS) | | In progress with delay | Currently, financial statements are in the process of being audited and will be disclosed once audited statements are available |
| Time period for publication of Quarterly AFS | | In progress with delay | OBS has been audited for all ULBs, barring Lucknow. ULBs are now preparing to send subsequent balance sheets for auditing. |
| Conduct of Annual Statutory Audit ASA | | | |
| Time period for publication of Quarterly ASA | | | |
| Publication of CDP on Municipal Website | | Completed | CDP for all ULBs is available on their website, wherever they are functional. |
| Disclosure of service-level Information | | | |
| <ul style="list-style-type: none"> ▪ Water supply services <ul style="list-style-type: none"> ◆ In slum areas ◆ In non-slum areas (residential and commercial) ▪ Sewerage/ Sanitation/ | | Completed | Service-level benchmarks are available on both the ULBs' as well as the Directorate of Local Bodies' website. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|--|
| Underground drainage | | | |
| ▪ Solid Waste Management | | | |
| ▪ Storm Water drainage systems | | | |
| ▪ Building Plan approvals | | | |
| ▪ Road networks within the city | | | |
| ▪ Street Lighting | | | |
| ▪ Birth & Death Registration | | | |
| ▪ Public Parks and Playgrounds | | | |
| Enactment of Public Disclosure Law | 2007-08 | Completed | The U.P. Municipality Public Disclosure of information Rules 2009 has been formulated. |
| Notification of Rules pertaining to Public Disclosure Law | | | |



4. Appraisal of ULB Level Reforms – Lucknow

4.1 L1 – E-Governance

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------------|--|
| E – Governance | | | |
| Appointment of State-level Technology Consultant as State Technology Advisor | 2006-07 | Completed with delay | <p>Initially Price Waterhouse Coopers (PWC) has done the "as-is" survey. Subsequently IIT Kanpur was appointed as an E-Governance consultant and submitted the ULB level DPR of each UIG City for E-Governance.</p> <p>MOUD, GOI made changes in directives and issued new guidelines in Dec 2009 and directed each state to prepare the state level uniform E-Governance architecture vide its letter numbered No: K-14012/119/09-NURM I.</p> <p>With regards to this, UD department of GoUP appointed IIT Kanpur as State Level Technology Consultant in 2009 and submitted State Level DPR to MoUD, GOI in August 2010. This DPR has been approved in December 2010.</p> <p>Further E- Governance DPR of Lucknow Nagar Nigam (LNN) has been submitted to MoUD for approval. In addition, LNN has allocated Rs 25 Lakhs for implementation E-Governance under the budget for 2012-2013</p> |
| Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP | 2007-08 | Completed with delay | Preparation of MEDD is part of state level Common DPR which has been approved. In addition to the state level DPR, LNN has also submitted the E-Governance DPR to MoUD. Under the DPR, the E-Governance action plan has been prepared. |
| Assessment of MEDD against National E-Governance Standards | 2007-08 | Completed with delay | MEDD is as per the National E-Governance standards and Part of state level DPR which has been approved. |
| Finalisation of Municipal E-Governance implementation action plan for the city | 2008-09 | Completed with delay | LNN has implemented the modules through its own sources and necessary training has been given to staff. Detailed TNA (Training Need Assessment) has been carried out and forwarded to GOI for sanction through the SLNA. |
| Undertaking Business Process Reengineering (BPR) Prior to migration to E-Governance systems | 2008-09 | Completed with delay | Re-Engineering of business processes is being done along with Accrual Based Accounting System & online property tax collection. Tax collection is being done |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------------|--|
| | | | <p>through E-Suvidha centre developed under National E-Governance Project.</p> <p>LNN has contacted U P Academy Administration and Management for undertaking independent TNA and for preparation of calendar of different training programme required in addition to the trainings proposed at state level.</p> <p>Interdepartmental teams have been formed with the 7 Member PIU team for implementing and overseeing E-Governance and other reforms in the LNN, as under :</p> <p>Additional Municipal Commissioner and Information Technology Officer - Property Tax , GIS implementation , Computerized Birth and Death , computerization in ULB</p> <p>Additional Municipal Commissioner and Social community development Officer - B S U P and Citizens Grievance Redressal System</p> <p>Chief Finance & Accounts Officer and Municipal Finance Officer - DEAS Implementation In ULB , Accounting Reforms</p> <p>Procurement Officer and Chief Engineer - E-Procurement in ULB, Implementation of Transparent Tendering and procurement system</p> <p>Officer in Charge Personnel Dept and H. R. D. Officer - Working with Personal Dept. to plan & implement capacity building activities , PIS and Payroll System, Administrative Reforms</p> <p>Project Manager and Environment Engineer - Environmental aspects of SWM.</p> <p>Project Manager and Public Health Engineer - SWM User charges, Biomedical Waste Management</p> |
| Appointment of Software consultant(s) / agency for development, deployment and training | 2008-09 | | LNN implemented standalone E-Governance modules. Some of the modules such as PIS has been developed in house however UPDESCO and NIS developed Property TAX software and website respectively. |
| Exploring PPP option for different E-Governance services | 2009-10 | Completed with delay | Various PPP options have been considered as part of the state level DPR. Currently birth and death module and grievance redressal module are running on PPP basis. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| | | | <p>M/s Analog system is working on the citizen grievance modules and M/s FS-GEOCAD has been working on Birth and death registration on PPP basis.</p> <p>E-Suvidha and property tax collection: A fee of Rs 6 per transactions is paid to the centres; property tax being collected at 33 centres</p> |
| Implementation of E-Governance modules | | | |
| <ul style="list-style-type: none"> Property tax | 2008-09 | Completed with delay | <p>Data of all the properties is available on the website and any registered property owner of Lucknow Nagar Nigam can access the same for demand, arrears and dues. Also online Property Tax payments have been enabled through net-banking and credit cards</p> <p>LNN revised the Tax rate and self-assessment facility has also been provided to the tax payers.</p> <p>PT ARV can be calculated online. ARV calculator is available on LNN's website.</p> |
| <ul style="list-style-type: none"> Accounting | 2008-09 | In progress with delay | <p>LNN is currently using Tally ERP-9 as a standalone accounting software.</p> <p>At the state level, Vendor selection process for the development of E- Governance Modules such as Finance and Accounting Software (FAS) and other modules shall be initiated shortly.</p> <p>Also, M/s CMC is implementing municipal accounting module for all the ULBs in the state.</p> <p>Head wise Income & Expenditure can be obtained from the software.</p> <p>An updated common database of properties/houses has been prepared and accordingly new Water and Sewer Tax & Water charge bills have been raised on revised annual value as fixed for LNN properties. Jal kal Vibhag has been merged with LNN and the annual budget has been independently linked with the LNN Budget since FY 2011-12. Accounting practices have also been converged with the accounting codes as per the new manual for its integration with the LNN budget. Standardization of Tax & Charges, Demand Assessment, Common Assessment Register and joint collection mechanism shall be linked in the E-Gov system.</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|---------------------------|---|
| | | | FC-13 funds have been linked with the PIP & ISIP for this year's targeted SLB improvement for Water supply & utility modules. |
| <ul style="list-style-type: none"> Water Supply and Other Utilities | 2009-10 | In Progress with delay | <p>Billing, collection, receipt generation are fully computerized and is operational through zonal offices and E-Suvidha Centres.</p> <p>MSW User charges are being collected by the concessionaire and deposited in the LNN ESCROW account. The new user-fee tariff has also been approved by the Executive Committee.</p> |
| <ul style="list-style-type: none"> Birth & Death Registration | 2007-08 | Completed with delay | <p>Registration can be done at Zone level offices. Computerized certificates issuance initiated. Some hospitals linked to facilitate B/D registration. Online tracking of registration process is yet to be initiated. Data compiled from 2001 only. Presently there is no web based online registration system since Digital Signature usage is yet to be included. Zonal offices of LNN is issuing the birth certificate and user can get the certificate on the same day.</p> <p>There is no link with the hospitals. LNN is collecting Rs 20 per certificate.</p> |
| <ul style="list-style-type: none"> Citizens' Grievance Monitoring | 2007-08 | Completed with delay | <p>IVRS based Citizens Grievance Monitoring & Redressal System has been implemented with Toll free No.-18001800522.</p> <p>Complaint can also be lodged manually or through email: nnlko@up.nic.in</p> <p>A new web based system for complaint monitoring has been made operational. The compliance and status of the complaints can be monitored through the system.</p> |
| <ul style="list-style-type: none"> Personnel Management System | 2008-09 | Completed as per timeline | <p>Employee payroll system and Service Book information system as a part of PMS and payroll system has been implemented.</p> <p>Also, biometric system for marking attendance has been installed by LNN.</p> <p>Service books digitization and HR module development is under progress</p> |
| Procurement and Monitoring of Projects | | | |
| <ul style="list-style-type: none"> E – Procurement | Not committed | In progress | E-Tendering Solutions on Design-Implement-Operate-Transfer (DIOT) basis implemented. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|----------------|---|
| | | | <p>M/s ANTARES SYSTEMS Limited engaged for internet based end to end e-procurement solutions for online tenders/online bids/Electronic auctions in LMC</p> <p>From April 2013, E- Tendering has been initiated for all the works amounting to more than Rs. 5 lakhs. All the payment/ transactions are done online only.</p> <p>GoUP has started commissioned various cyber café under UP Online where online submission of documents can be made. Bids are invited only in digital form.</p> |
| <ul style="list-style-type: none"> Project/Award Works | Not committed | Not Initiated | Module as part of the State/ULB integrated software included in the LNN E-Governance DPR. However, Measurement Books for JNNURM projects have been computerized. |
| Building Plan Approval | 2011-12 | | Approval certificates, NOC and collection of dues have been computerised at LNN and LDA. |
| Health Programmes | | | |
| <ul style="list-style-type: none"> Licenses | 2010-11 | In progress | Computerized Licenses are being issued through Application Software. |
| <ul style="list-style-type: none"> Solid Waste Management | 2010-11 | In progress | <p>Presently no such System; however, SWM Project is being implemented on PPP basis and garbage collection details, location wise assignment of sanitation staff and assigning of routes to SWM vehicles and staff through application software is a part of SWM project. The system is soon to be started.</p> <p>M/s Jyothi environ has been implementing the SWM project. Under the project, the contractor shall collect the waste and transport the same to processing plant.</p> |
| Any other mode | | | <p>Website developed and is operational. Updated daily on some aspects like PT collection; 33 E-Suvidha centres established in the city;</p> <p>Networking of all departments initiated by UPDESCo, all departments and Zonal Offices connected to main server at Head Office.</p> |

4.1.1 Actions taken by Lucknow Nagar Nigam

- An interdepartmental team of PIU Officer and Departmental Head is functional for E-Governance system implementation.



- **Property tax:** Data of all the properties uploaded on the website, citizens can access outstanding dues till date and deposit Property Tax through net-banking. LNN has revised the Guidance Values and provided self-assessment facility for tax payers. PT ARV can be calculated online by ARV calculator available on LNN website. Monthly review & monitoring is undertaken through PTMIS of LNN.
- **Accounting:** LNN employees are converting the financial data on accrual based DEAS. All the 28 Account clerks have been given training on UPMAM for implementation of Accrual based Double Entry Accounting System. Review & monitoring is being done regularly after implementation of DEAS since 01.04.09.
- **Water Supply and Other Utilities:** Billing/ collection/Receipt Generation process fully computerized and is operational through zonal offices and E-Suvidha Centers.
- **Citizens Grievance Monitoring:** IVRS based Citizens Grievance Monitoring & Redressal System implemented and is successfully operative since 2010. New online software for complaint monitoring has been implemented. The compliance and status of the complaints can be tracked online through the system.
- **Personnel Management System:** Bio-Metric system has been launched for the monitoring of daily attendance of LNN employees.
- **E-procurement** –From April 2013, E- Tendering has been initiated for all the works amounting to more than Rs. 5 lakhs. All the payment/ transactions are done online only.

4.1.2 Issues in implementation of the reform

- No major issues observed currently
- However, capacity building of the employees with specific focus on e-governance is a key aspect that ULBs should focus upon. In-built capacity of ULB is crucial for updating, maintaining and running e- governance modules.

4.1.3 Action required by state government

Following actions are required by the State Government for reform implementation.

- Create IT Cadres which can provide handholding support in hardware, networking and E- Governance operation related issues
- Set up a guideline for maintaining service level agreements for E- Governance and create effective monitoring mechanism for the same
- Sensitize ULBs towards the importance of capacity building with special focus on e-Governance
- Create an e-Governance cell for showcasing the best practices implemented by the ULBs.

4.2 L2 – Municipal Accounting

| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|---|
| Resolution by Government expressing commitment to establish modern municipal accounting system | 2007-08 | Completed | Done |
| Appointment of consultants for development of State | 2007-08 | Completed | IMG was appointed as consultant at state level. |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| wide Municipal Financial Accounting Manual | | | |
| Completion & Adoption of Municipal Finance Account Manual | 2007-08 | In progress with delay | The draft Municipal Account manual has been prepared and forwarded to the state government for approval. |
| GO/Legislation/Modification of Municipal Finance Rules for migrating to double-entry | 2007-08 | Completed | - |
| Training of personnel for new Accounting System | 2007-08 | In progress | Departmental staff training as per DEAS is being done since 2009. On line training is given continuously for Real-Time Accounting. |
| Appointment of Field Level Consultant | 2008-09 | Completed | CA appointed in Oct. 2009. |
| Notification of Cut Off date for migration | 2008-09 | Completed | Cut off dates for migration to DEAS specified by GoUP. However, both DEAS as well as Cash based systems being run in parallel. DEAS migration achieved from 01.04.09 |
| Reengineering of Business Process for aligning with new system | 2007-08 | Completed with delay | A state level policy has been adopted and initiated for implementation in the ULB. Tally ERP 9 used for DEAS. New budget heads, sub heads adopted as per the new draft accounting manual |
| Comp of registers & valuation of Assets & Liabilities | 2007-08 | Completed | The ULB has prepared inventory of assets and liabilities and valuation of assets & liabilities is made by the concern department and the values of Asset and liabilities provided by the departmental Heads are incorporated in Balance Sheet. |
| Drawing Provisional Opening Balance Sheet | 2008-09 | Completed | OBS as on 1st April 2009 has been prepared and certified by external auditor - M/s. Habbibullaha & Company. OBS for following years has been completed 2009-10 and 2010-11 and the same has been uploaded on LNN website |
| Adoption of Provisional Opening Balance Sheet | 2007-08 | Completed with delay | OBS audited and adopted |
| Finalization of Opening Balance Sheet | 2007-08 | Completed with delay | OBS has been finalized and adopted |
| Full Migration into Double Entry Accounting System | 2008-09 | In progress with delay | Migration has been achieved and day to day entries are made in DEAS from 01-04-2010. However, both cash based and DEAS are being maintained |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|---|---------------|------------------------|--|
| Production of Financial Statements as per new system | 2008-09 | In progress with delay | Financial Statements as per new system have been prepared including trial balance, income and expenditure account and balance sheets and budget variance statements for FY 2009-10, 2010-11 and 2011-12. Bank Reconciliation Statements of all bank accounts have been completed for FY 2009-10 and FY 2010-11. Bank Reconciliation Statements in relation to day-to-day transactions being taken up periodically for FY 2011-12. |
| Creation of mechanism for external audit | 2009-10 | Completed | External Auditor appointed for audit of OBS. Typically, CAG as well as Local Fund Audit mechanisms will be followed |
| Commencement of External Audit of Financial Statements | 2008-09 | In progress | External auditor appointed for audit of Financial statement of 2009-10 |
| Commencement of preparation of Outcome Budgets | 2008-09 | In progress with delay | Outcome budgeting yet to be fully adopted. State government shall train the ULBs to prepare the outcome budget for their respective cities. |
| Instituting of internal audit/control mechanism | 2009-10 | Completed | MNLP is the internal auditor for ULBs in UP. However, currently only transaction audits are done by MNLP. |
| Undertaking of credit rating | 2008-09 | Completed | Care credit rating is BB in year 2008-09 |
| Integration with Procurement Sys | Not committed | | This will be implemented as part of state level DPR and will be eventually integrated with accounts. Software customization as per LNN needs is also in progress with UPECL. |
| Integration Water Contract Management System | 2010-11 | | These will be integrated once the DEAS migration is complete and state level E-Governance architecture has been implemented |
| Integration with Payroll & Wage Payment System | 2010-11 | | |
| Integration of system with Stores & Inventory Management System | 2009-10 | | |
| Integration with User Charges Billing System | 2010-11 | | |
| Integration Tax Collection System | 2010-11 | | |

4.2.1 Actions taken by LNN

- Opening balance sheet for the year 2009-10 has been certified by external auditor M/s Habibullah & Company and has been adopted by LNN.



- Financial Statements, as per new system, incl. Trial Balance, Income and Expenditure Account, Balance Sheets and Budget Variance Statements etc have been prepared accordingly for the subsequent years.
- Migration into Double Entry Accounting System has been achieved from FY 2009-10. However, both cash based and DEAS are being maintained.
- Tally ERP-9 is used for DEAS. New budget heads, sub-heads are adopted as per the new draft accounting manual of UPMAM.
- Financial Statements, as per new system, prepared include Trial Balance, Income and Expenditure Account and Balance Sheets for FY 2009-10, 2010-11 and 2011-12.
- Financial Statements as per new system prepared incl. Trial Balance, Income and Expenditure Account and Balance Sheet and have been uploaded on the LNN website, all the financial data has also been published in annual book 'Smarika'.
- DEAS based accounting and audit training to MNLP personnel has been undertaken in December 2012 and March 2013.
- LNN has removed the Field level consultant and DEAS is being practised fully by its own staff.

4.2.2 Issues in implementation of the reform

- Preparation of outcome budget will require conceptual clarity and capacity building.
- Capacity building should be a continuous process for the next 2 years or so
- LNN has to eventually prepare a plan for complete migration to DEAS as the existing system of single entry accounting is still prevailing which has to be discarded by LNN in due course of time

4.2.3 Action required by state government

- The Draft Accounting Manual prepared in line with the National Accounting Manual should be approved by the State Government for its mandatory application at all the ULBs across the State of Uttar Pradesh
- Amendments to the Municipal Act may be initiated at the State level in order to incorporate therein necessary mandatory provisions for introducing external audit of Financial Statements of all the ULBs by the office of the AG, Uttar Pradesh
- The ULBs lack necessary knowledge in implementing the outcome budgetary system. This system envisages a multi-year budget system considering the priorities set by the stakeholders. It is a performance measurement tool that helps in better service delivery; decision-making; evaluation of programme performance and results; communication of programme goals; and improvement in programme effectiveness. State-level initiatives should be taken to conduct a hand-holding exercise for introduction of outcome budget at different ULBs
- Handholding support will be required till complete migration to double entry accounting system which can also include preparation of plan by State government to discard the single entry system of accounting completely.

4.3 L3 – Property Tax

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|-------------------|-------------|----------------|-------------------------------------|
| Property Tax | | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|---------------------------|--|
| Enhancing Coverage to all properties | No timeline Indicated | Completed | GIS Survey indicated that approx. 13% properties have not been covered under the property tax net which has now been reduced to 5%. Assessment of open land is an issue and the same will require resolution. Data of all the properties has been loaded on the website and any user can check their outstanding dues online & deposit tax through net banking |
| Elimination of exemptions | 2007-08 | Completed as per timeline | Amendment has been introduced in the legislation by GoUP in 2006. However, reduction in exemption on the ground is not known. |
| <ul style="list-style-type: none"> Self Assessment System Migration – Setting up a team to draft legislation | 2006-07 | Completed | <p>The amendment for Self-Assessment for Residential Property has been incorporated in the Nagar Nigam Act, 1959 & The Uttar Pradesh Municipal Corporation (Property Tax) (Second Amendment) Rules, 2009 have been framed. Self-assessment for the residential buildings on revised monthly rental rates has been implemented in 2010.</p> <p>Further amendment for Self-Assessment for Commercial Property has been introduced. U.P. Municipal corporation Act 1959 has been amended for self-assessment system for commercial properties. Rules have been prepared for self-assessment system for commercial properties at State level. Classification and listing of non-residential/Commercial properties has been done.</p> <p>The implementation of self-assessment for non-residential properties is yet to commence.</p> |
| <ul style="list-style-type: none"> Self Assessment System Migration – Stakeholder Consultations | 2007- 08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Preparation of Draft Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Enactment and Notification of Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Implementation by Municipalities | 2008-09 | Completed | <p>Self-assessment for the residential buildings was implemented in 2002. Online payment system was also introduced in May 2005.</p> <p>Amendment for Self-Assessment for Commercial Property has been introduced. Presently U.P. Municipal corporation Act 1959 has been amended for self-assessment system for commercial properties. Rules have been prepared for self-</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|--|--|
| | | | assessment system for commercial properties at State level. Classification and listing of non-residential/Commercial properties has been done. |
| Setting Up non-discretionary method for PT | No timeline indicated | Completed for residential properties In progress for non-residential properties | Unit area method adopted in 2002 for calculation of property tax for residential buildings. Migration to Self-assessment systems for commercial and industrial buildings is pending has been done |
| <ul style="list-style-type: none"> ▪ GIS - Selection of Consultant | 2007-08 | Completed with delay | FA-GEOCAD was appointed in Jan 2009 to carry out the GIS Survey. |
| <ul style="list-style-type: none"> ▪ GIS – Preparation of digital maps | 2008-09 | Completed with delay | Satellite maps procured from NRSA. |
| <ul style="list-style-type: none"> ▪ GIS – Administration of PT using GIS | 2008-09 | In progress with delay | GIS survey and verification has been completed in all zones. Digitization and preparation of maps has also been completed. |
| Next/Anticipated revision of guidance values | | | Guidance value was revised in 2010 |
| <ul style="list-style-type: none"> ▪ Deadline for adoption of guidance values | Done | Completed in advance for residential properties | LNN has implemented upward revision in Guidance Value |
| Taxpayer Education Programme – Preparation of Ready Reckoner | Done | Completed in advance for residential properties | Achieved; Ready Reckoner was prepared and circulated at a price of Rs 10. |
| Taxpayer Education Programme – Camps For Doubts & Form Filling | Done | Completed in advance for residential properties | Regular camps and awareness programme are being organised regularly. |
| Taxpayer Education Programme – Website on PT issues/FAQs | 2007-08 | Completed as per timeline | Achieved; FAQs has been put up on LNN's website http://lmc.up.nic.in/ |
| Establishing of Dispute Resolution Mechanism | No timeline | Completed | Dispute Resolution Mechanism has been established in LNN. Hearing of the objections/disputes is made before Addl. Municipal commissioners |
| Rewarding Honest Tax Payer | No timeline | Completed as per timeline | 5% rebate is being given for punctual property tax payer. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--|----------------------|--|
| Achievement of defined % coverage ratio in PT* | 2009-10 | Completed with Delay | Bills have been issued to 482679 properties out of 492980 properties. This indicates coverage ratio of 98%. |
| Achievement of defined % collection ratio in PT* | 2006-07 | Achieved | <p>For 2013-14, till December 2013, the total demand was Rs. 9450 lakhs of which Rs. 6850 lakhs has been collected. This figure will go up by March 31, 2014.</p> <p>Collection efficiency on total demand is 72.48%.</p> <p>For 2012-13 LNN reported a collection efficiency of 98.56% on total demand.</p> <p>For FY 2012-13, against a total demand of Rs. 93.75 crores, the collection was Rs.92.40crores. Current demand was Rs. 92.21crores while arrear demand was Rs. 1.54 crores. Current collection was Rs. 92.16 crores while arrear collection was Rs. 24.24 crores.</p> <p>For FY 2013-14, LNN has collected Rs. 51.20 crores till Aug 2013 against a total demand of Rs. 94.55 crores.</p> |
| Improving arrear collection ($\leq 10\%$)* | 2009-10 - 20% 2010-11 - 10% 2011-12- 10% 2011-12 – 1.5% | Achieved | Arrears are only 1.5% of the current demand |

4.3.1 Issues in implementation of the reform

- Self-assessment for commercial buildings should be expedited since the framework is already in place.

4.3.2 Action required by state government

- Remove the private schools from the list of exempted properties in spite of higher income from student fees.

4.3.3 Action required by ULB if any

Following actions are required by the ULB for reform implementation.

- Prepare an action plan for self-assessment system for commercial properties



4.4 L3 – User Charges

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|--|
| User charges | | | |
| Formulate and adopt a policy on User Charges including targeting of subsidies, full realization of O&M costs | No timeline Committed | No initiative taken | <p>ULBs have been empowered to levy and collect the User Charges for civic services such as Water Supply, SWM, Sewer etc through the Amendment in UP Municipal Act, 1916 in September 2009. This is owing to the fact that previously powers to levy user charge were with Jal Sansthan.</p> <p>Presently User charges are levied as per the State Government directive issued on 31st March 2001.</p> <p>No volumetric tariff structure at present; However, GoUP issued GO for implementation of water meters in UIG Cities. The water meters shall be implemented by Jal Nigam, a nodal agency for implementation of capital works for water supply and sewerage.</p> <p>GoUP issued G.O. on 16/02/2011 for user charges for Solid Waste Management</p> |
| Setting up of body for recommending UC structure | 2007-08 | In progress with delay | Done for solid waste management G.O. of GoUP issued on 16/02/2011. Rate of user charge has been amended in Dec 2012 by Executive Committee. |
| Establishment of Proper Accounting System | | | O&M cost of water supply and sewer are calculated at Jalkal department which recently become the part of LNN. |
| <ul style="list-style-type: none"> Solid Waste Management | 2007-08 | In progress with delay | SWM project is being developed on PPP basis. The door to door collection, transportation of waste and treatment is a responsibility of Concessionaire. Only street sweeping is a responsibility of LNN. LNN shall pay tipping fees to the concessionaire. The accounts of the tipping fees shall be kept separately. |
| <ul style="list-style-type: none"> Public transport | NA | Not Applicable | Achieved, proper Accounting system has been established. |
| Achieving new service standards | 2007-08 | In progress with delay | |
| <ul style="list-style-type: none"> Water supply – LPCD | | In Progress | <p>Present water supply is 142 LPCD.</p> <p>Duration of water supply is 5 hours on daily basis.</p> <p>Present water supply connections are 306036 as against total properties of 492980 indicating 62% coverage.</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| | | | Slum areas have been covered with 4600 stand posts. Service level improvisation plan initiated as per the ISIP (Detailed Information System Improvement plan amounting Rs. 4.65cr. has already been submitted to the MoUD, Govt. of India through SLNA for getting it approved.) and PIP for 2012-13 in follow up of the Gazette Notification of the benchmarks dated March 31,2012. |
| <ul style="list-style-type: none"> Waste supply – Hours of supply | 2010-11 | | |
| <ul style="list-style-type: none"> Water supply – Non-revenue water | No info | | ULB reported 30% NRW and 20% UFW. This is owing to water theft and ~ 2500 illegal connections. Above are estimated figures as bulk meters at source and distribution points are yet to be implemented. Water supply project is being implemented by Jal Nigam. Service standards shall be improved upon completion of such projects. |
| <ul style="list-style-type: none"> Sewerage - % of population covered | No info | | 40% of municipal area and 50% of population have been covered with sewerage network presently. |
| <ul style="list-style-type: none"> Sewerage - % of sewerage | 2010-11 | | Presently two projects of STPs are under implementation. |
| <ul style="list-style-type: none"> Solid Waste Management | 2010-11 | In Progress | SWM project is being developed on PPP basis. The door to door collection, transportation of waste and treatment is a responsibility of Concessionaire. Only street sweeping is a responsibility of LNN. LNN shall pay tipping fees to the concessionaire. The Concessionaire has started door to door waste collections in few wards and subsequently all wards have been covered. |
| <ul style="list-style-type: none"> Public transport | 2009-10 | | This function has not been transferred to LNN. |
| Achieving new UC structure | NA | NA | NA |
| <ul style="list-style-type: none"> Water Supply | | In Progress | Water supply network is implemented by Jal Nigam and metering shall be done by it. However, no progress in the field of volumetric tariff decision has been made. Presently flat water supply tariff has been calculated and charged based on following methods and whichever is higher from followings is applicable. |
| <ul style="list-style-type: none"> Sewerage | 2008-09 | In Progress with delay | Flat water supply charges and Sewer charges based on ferrule size and different slabs of ARV for residential and commercial property. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---|------------------------|---|
| | | | Water tax 12.5% of ARV and Sewer tax 3% of ARV. This is based on of Notification issued in 1999 by GoUP. User charges have been increased 5% at regular interval of three years. |
| <ul style="list-style-type: none"> Solid waste management | 2008-09 | In Progress with delay | Resolution has been passed in council of LNN to levy user charges for SWM which was also approved by state government on 22nd February, 2011. The monthly user charges are as follows. Two storey building: Rs 40 per family and multi-storey building: Rs 50 per family. Kuchha building : Rs 30 per family Commercial Buildings: Rs 2.50 per sq mt for two storey building and Rs 3 per sq mt for multi storey building. GoUP has notified renewed MSW user charges for 15 categories effective November 22, 2011 |
| <ul style="list-style-type: none"> Public transport | 2007-08 | In progress with delay | Not part of LNN; LCTS has notified new tariff structure on kilometre basis for the AC and non AC services |
| <ul style="list-style-type: none"> Health services | NA | NA | |
| Achieving Volume based tariff & 100% metering | | Not Initiated | Can be achieved only after metering of all connections has been completed |
| Max. Target for non-revenue water | 2009-10 -6% 2010-11 -5%, | In Progress with Delay | ULB reported 30% NRW and 20% UFW presently. This is owing to water theft and higher no of illegal connections (i.e 2500 approx). |
| Max. Target for Unaccounted water | 2009-10: 20% 2010-11: 15% | In Progress with Delay | LNN reported that water billing is being extended to new meters installed under UIG WS Project. The target is to achieve 15% NRW. LNN also reported that efforts are being made to reduce leakages and regularise illegal connections to achieve UFW targets. |
| Study on quantification & impact of subsidies | 2007-08 | Not Initiated | LNN informs that Jalkal has finished a study. No specific details on the Study were shared. |
| Tabling & Approval of study on subsidies by Municipality | 2008-09 | Not Initiated | No such study initiated |
| Achieving of Full Recovery in OM from UC-WS* | 2008-09- 75%, 2009-10 - 100% 2010-11 - 100% | In progress with delay | For 2013-14, O & M Expenditure was Rs. 10762 lakhs of which Rs. 7229 lakhs has been collected indicating a collection efficiency of 67%. For 2012-13, the O & M expenditure reported was Rs. 115.81crores (including |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|---|------------------------|--|
| Achieving of Full Recovery in OM from UC-Sewerage* | 2009-10 - 88% 2010-11 - 95%, 2011-12 100% | | electricity charges). Against this, a collection of Rs. 81.55 crores was reported indicating a recovery ratio of 70.42%. For FY 2013-14, LNN has incurred an expenditure of Rs. 54.57 crores and have collected Rs. 32.15 crores thus achieving a collection efficiency of 59% till Aug 2013. |
| Achieving of Full Recovery in OM from UC-SWM* | Timeline not committed | In Progress with Delay | The User charges for the MSW services have been revised by Executive Committee on December 2012. Consultant engagement for the approach & methodology and its rationalization, for the user charges of various services, shall be taken as per requirement. |
| Achieving of Full Recovery in OM from UC-Public Transport | NA | NA | . |

4.4.1 Issues in implementation of the reform

- There is no integration of accounting practice of Jalkal with LNN's accounting practice
- No studies have been taken-up for quantification & impact of subsidies on water supply, sewerage and SWM services.
- Poor coverage of Water supply and sewerage network: Present water supply connections are 306036 as against total properties of 492980 indicating 62% coverage. Further only 32% of properties and 60% of the population have been covered under sewerage network.
- ULB reported 30% NRW and 20% UFW. This is owing to water theft and high number of illegal connections (i.e 2500). Further bulk meters at source and distribution points are yet to be installed reflecting inadequate measurement system. This indicates that steps are yet to be taken forward for improving the monitoring and controlling of NRW and UFW.
- Interdepartmental coordination between Jal Nigam, Jalkal, LNN is resulting in delays in the implementation of the projects for water supply and sewerage network affecting coverage and quality. Thus, any initiation on user charges against such services becomes difficult.
- Full integration of Jalkal, Jal Nigam and LNN is yet to be achieved.
- Steps are yet to be taken for improving the service delivery mechanism in sewerage such as treatment facilities and network coverage.

4.4.2 Action required by state government

- Form an inter-governmental mechanism for coordination and review of water supply projects. It is required as multiple agencies involved in expedition User Charges reform.
- Initiate consultative approach to form political consensus for new tariff structure for municipal services.
- Provide handholding support to ULBs for setting up new tariff structure and set a timeline for volumetric tariff implementation.



- Develop a mechanism for monitoring that the SLB data for WSS being compiled by the agencies is accurate, as this will help in formulating new projects and monitor results for ongoing projects.

4.4.3 Action required by ULB if any

- Efforts are required to fully integrate the services of LNN, Jalkal and Jal Nigam in true sense.
- Appoint a consultant for preparation of approach and methodology for carrying out subsidies studies at ULB level for different municipal services and prepare a tariff rationalisation plan for different services considering ability to pay of different user's group, inflationary trends, requirement of cross subsidies and suitable indexation. Liaise with Jal Nigam for completion of JNNURM projects and installation of water meters.
- Put a mechanism to improve service levels such as coverage of water supply, sewerage and SWM, Reduction of NRW etc.
- Impart trainings to engineers on service level benchmarking, sector knowledge and new technology available in the market for better service delivery.
- Commence tax payers' education and awareness program on payment of user charges based on volumetric tariff. Communicate the benefits of paying taxes to lower the public resistance.

4.5 L3 – Internal Earmarking of Funds for Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|---|------------------------|---|
| Internal earmarking of funds for services to urban poor | | | |
| Reform in Accounting & Budgeting Codes to identify income and expenditure for poor | 2007-08 | In progress with delay | New accounting and budgeting codes for various heads and sub-heads have been assigned in accordance with the draft MAM. |
| Creation of separate Fund in Accounting System for Services Of Poor | 2007-08 | In progress with delay | Has been achieved in FY 09-10, 10-11, FY 2011-12 and included in 2012-13 budgets. |
| Amendments in Accounting Rules for Services Of Poor | 2007-08 | In progress with delay | Presently no such system; Such provisions have been kept in new accounting manual which is under approval process. |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total Revenue Income. | 2009-10 - 26%, 2010-11 - 28%, 2011-12 - 30% | In Progress with delay | 25% of Development Budget has been earmarked for urban poor |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total | 2009-10 - 26%, 2010-11 - 28%, | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|---|----------------|-------------------------------------|
| Own Source of Revenue Income | 2011-12 - 30% | | |
| Targeted capital expenditure on delivery of services to poor per annum, expressed as % of Total Capital Expenditure | 2009-10 - 25%, 2010-11 - 25%, 2011-12 - 25% | | |

4.5.1 Issues in implementation of the reform

- No major issues observed.

4.6 L4 – Basic Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------------------------|------------------------|---|
| Basic Services to Urban Poor | | | |
| Survey of Poor HH | 2007-08 | Completed | HH level survey has been completed in September, 2010 by DUDA and identified 609 slums. Approximate 7 lakh population resides in slum. |
| Database creation for targeting HH level schemes | 2007-08 | In progress with delay | Data compilation has been done. Enumeration (including infrastructure gap listing), prioritization and land mapping in GIS of the notified 609 urban poor areas and 3 slum areas. |
| Prioritisation of Poor Settlements by participation method | 2007-08 | In progress with delay | 3 slums notified under the Manyavar Shri Kanshiram Ji Shahari Dalit Bahulya for integrated slum development. This based on state led programme objectives which are similar to JNNURM |
| Max. Achievement of HH level piped WS* | 2009-10- 80% 2010-11- 95%, | | Water supply increased to 6 hrs. The target is to have water supply for 8 hrs. (125 lpcd). |
| Max. Achievement of Public Taps (defined hours)* | 2009-10- 20% 2010-11- 5%, | In Progress with delay | 6 hrs. in the year 2011 |
| Max. Achievement of Public Taps (def. dist from HH)* | 2009-10- 20% | | Presently the distance is about 200 mts. from the households. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|----------------|--|
| | 2010-11 - 5%, | | |
| Max. Achievement of Hand-pumps/Tube-wells* | 2007-08 - 10% | | Presently the distance is about 200 mts. from the households. |
| Max. Achievement of Water Tanker Supply* | No timeline committed | | There are 40 water tankers available with Jal Kal Vibhag which reaches within 2-3 hrs. |
| Max. Achievement of HH level toilets* | 2008-09 – 100% | In Progress | Total of 1892 community toilets are operational in Lucknow Municipal area and approximately there are 18920 toilet seats. Majority of community toilets are situated in slum area. Presently disposal is through septic tanks and sewer system. No detailed information is available. |
| Max. Achievement of defined disposal sys for HH toilets* | 2008-09 – 100% | | There are both – septic tanks and the sewer system |
| Max. Achievement of Comm. Toilet Seats* | No timeline | | 207 public toilets with 2656 seats are operational in Lucknow Municipal area. On an average there are 10 seats in each Community Complex |
| Max. Achievement of Avg. dist of Community Toilets from HH* | No timeline | | Average distance is 200 meters |
| Max. Achievement of def. disposal Sys for Community Toilets* | No timeline | | There are both – septic tanks and the sewer system |
| Max. Achievement of Underprivileged Facilities in Community Toilets | No timeline | | In all the Community Complexes half the toilet seats are meant just for the women |
| Max. Achievement in Pucca Housing | 2009-10 | | In progress with delay |
| Max. Achievement in Night Shelters/Community shelters for homeless | no info | In Progress | Twenty-three community shelters have been completed. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| Def. Achievement in Street Sweeping | 2009-10 | Completed | Street sweeping is being done on daily basis by LNN staff. |
| Def. Achievement in Waste Collection | 2009-10 | In Progress with delay | LNN has started to door to door waste collections in 63 wards out of total 110 wards. Slum areas falling in 48 wards have been covered under the door to door waste collection services. Remaining wards shall be covered in due course of time. LNN has also distributed dustbins in slum area. |
| Def. Achievement in lifting waste from Community Bins | 2009-10 | | On daily basis |
| Def. Achievement in HH access to Pucca Roads | 2011-12 | Completed | LNN has pucca roads in its municipal area and almost all slum clusters are connected with the pucca roads. |
| Def. Achievement in Cluster access to Pucca Roads | 2011-12 | | |
| Def. Achievement in HH access to covered SW drains | 2011-12 | In Progress with delay | Provision has been made for storm water drains in area covered by LNN. |
| Def. Achievement in Street illumination | 2011-12 | - | No information available. |
| Def. Achievement in Anganwadi/Crèche | 2011-12 | - | Average distance from HHs is 200 mts. |
| Def. Achievement in Community Halls | 2011-12 | - | Average distance from HHs is 2000 mts. |
| Def. Achievement in Preventive Health Care (advisory) | 2010-11 | - | Health department of GoUP is responsible for providing primary health care services. LNN reported that many primary health care centres have been established and regular services have been provided. The ANMs visit the centers once a week. Health care camps organized by LNN on weekly basis for urban poor. Average Curative HealthCare distance from HH is 2000 mts. |
| Def. Achievement in Curative HealthCare – reliability | 2010-11 | | |
| Def. Achievement in Curative HealthCare – distance | 2011-12 | | |
| Def. Achievement in Pri.Edu – Enrolment | 2007-08 | In Progress with delay | Education department (ICDS) of GoUP is responsible for primary education. LNN reported 85% enrolment ratio and 10% drop out rates in LNN. |
| Def. Achievement in Pri.Edu – Drop Out | 2009-10 | | |
| Def. Achievement in Pri.Edu – distance | 2009-10 | - | 2000 mts |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|----------------------------|-------------|----------------|--|
| Skill development training | 2010-11 | In Progress | DUDA, Lucknow has conducted many vocational training programmes for the people residing in slum. Presently 3450 people are being trained on various disciplines and placement services shall also be provided. |
| Micro credit | 2010-11 | In Progress | GoUP has started various schemes such as Swarnim Jayanti Rojgar Yojana, Mahila Sahayata programme etc under which micro credit have been provided. 70 groups have applied in banks which are under process |

4.6.1 Actions taken by LNN

- The work relating to Data compilation has been completed. Enumeration (include infrastructure gap listing), prioritization and land mapping through GIS of the notified 609 urban poor areas, under progress.
- Comprehensive services and infrastructure coverage related to water supply, sewerage, sanitation, street paving, street lighting, community centre etc. being provided in notified slums.
- Coordination amongst DUDA & LNN (including Jal kal) for identifying the needs and for achieving the services standards of urban poor areas has been streamlined through the SCDO, PIU.
- Projects related to CPF have been received by LNN from few NGO's for providing different services to the poor community are being evaluated by the Nagar Nigam. After Physical verification and assessment of the viability such projects will be forwarded to Govt. of India through SLNA.

4.6.2 Issues in implementation of the reform

- Absence of guidelines for achievement of service standards to urban poor areas.
- Multiple agencies involved in providing services to urban poor area, for instance DUDA is providing mainly pucca housings, imparting skill development trainings and availing micro credits however LNN is providing water supply, roads, community toilets, street lights and SWM services. Education (ICDS for primary education) and Health department is responsible for providing primary education and health services respectively. Thus coordination among all agencies is required in order to improve service standards. Presently there is an absence of such coordination.
- Database is yet to be created indicating status of service standards to Urban Poor has been compiled as yet. This kind of database can help in identifying the projects which can improve the service standards to Urban Poor.

4.6.3 Action required by state government

- Form a department wise service level guideline and action plan towards providing services to Urban Poor and communicate the same with all concerned Government department.



- State Government should help ULB in formulating guidelines for achieving service standards for services to Urban Poor. It would help in focusing and coordination of efforts on this front.
- Set up supervision and monitoring mechanism for achieving service standards for services for urban poor.
- Form an inter-governmental mechanism for coordination and review of projects undertaken by different Government agencies for services to Urban Poor.
- Put a mechanism which ensures the achievement of service standards committed under this reform.
- Support the project development process initiated by DUDA through preparation and finalization of DPRs, issuance of tenders and award of contracts as soon as possible.

4.6.4 Action required by ULB if any

Following actions are required by the ULB for reform implementation.

- Liaise with DUDA Lucknow for completion of compilation of HH survey and thereby arriving at findings which will help in identifying the infrastructure gaps in slums.
- Create a database indicating status of service standards to Urban Poor.
- Initiate project development process through preparation and finalization of DPRs, issuance of tenders and award of contracts as soon as possible and request for handholding support for execution of such projects.





5. Appraisal of ULB Level Reforms – Kanpur

5.1 L1 – E-Governance

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------------|---|
| E – Governance | | | |
| Appointment of State-level Technology Consultant as State Technology Advisor | 2006-07 | Completed With Delay | <p>Initially Price Waterhouse Coopers (PWC) has done “as-is” survey. Subsequently IIT Kanpur was appointed and submitted the ULB level DPR of each UIG City for E-Governance.</p> <p>Ministry of Urban Development, GOI made changes in directives and issued new guidelines in Dec 2009 and directed each state to prepare the state level uniform E-Governance architecture vide its letter numbered No: K-14012/119/09-NURM I</p> <p>With regards to this , UD department of GoUP appointed IIT Kanpur as State Level Technology Consultant in 2009 with Kanpur Nagar Nigam (KNN) as lead ULB for testing and trial of state wide E-Governance Platform . IIT Kanpur has already submitted State Level DPR to MoUD, GOI August 2010 which has been approved in February, 2011.</p> <p>National informatics centre (NIC) has been entrusted with implementation of DPR and development of different E-Governance modules along with capacity building. NIC has developed an Action Plan and has started working on it. Initially NIC has developed Birth and Death, Grievance Redressal , E Procurement and Property tax which is in User Acceptance Testing Phase.</p> |
| Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP | 2007-08 | Completed with delay | Municipal E- Governance Design documents have been prepared and is part of state level common DPR which has already been approved. |
| Assessment of MEDD against National E-Governance Standards | 2007-08 | Completed with delay | MEDD is as per the National E-Governance standards and Part of state level DPR |
| Finalisation of Municipal E- | 2008-09 | Completed with delay | Prepared and part of the state level E-Governance DPR |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------------|---|
| Governance implementation action plan for the city | | | |
| Undertaking Business Process Reengineering (BPR) Prior to migration to E-Governance systems | 2008-09 | Completed with delay | <p>It is part of DPR for the state level E-Governance solution. KNN has taken various steps:</p> <ul style="list-style-type: none"> ▪ Defined Stakeholder committee for success of E Governance System, Municipal Commissioner is the chairman of the committee. ▪ Defined a Administrative coordinator for the E Governance Cell. Additional Municipal Commissioner is responsible of this. ▪ Defined a techno-functional coordinator for the E Governance Cell. Information Technology Officer is responsible for this. ▪ Defined a Nodal Officer of each module. KNN has identified people with high computer literacy as Nodal officer for the module. Along with the Nodal officer of the module, two persons have been identified for his support and providing the time to time training to the staff. ▪ KNN has outsourced six computer trainers for six zones who are available throughout the office time to help the staff in building computer literacy and help them in running the software application. ▪ Computer operators have been given the responsibility to verify the transactions like online transaction through payment gateway , ECS verification etc ▪ Relocation and integration of zones has already been done as part of BPR. It has been connected through LAN / RFID at HQ. 5 Xeon servers have been placed for maintaining Database Server /Application Server /GIS Server / Mail Exchange Server / Back Up server. ▪ A complete change in the workforce of all the concerned departments is in process to strengthen the redesigned process of e- governance system. All new recruitments have a mandatory qualification of computer literacy. |
| Appointment of Software consultant(s) / | 2008-09 | Completed | E-Governance Foundation, Bangalore was appointed as the software consultant for development of standalone E-Governance |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|---|
| agency for development, deployment and training | | | Modules at KNN level initially. The Agency has been given contract for implementation and 3 Years handholding support post implementation. State Level Implementation has been entrusted with NIC as per approved DPR. |
| Exploring PPP option for different E-Governance services | 2009-10 | Completed | At present 29 private “Cyber Citizen Points” have been authorized by KNN to provide Municipal E-Services Provision for ward-wise services (on PPP mode) have been made in the DPR |
| Implementation of E-Governance modules | | | <p>An Integrated Web based ERP is being used for Double Entry Accounting System, payroll & Employee information System, Collection ,Land and Estate , Asset Management ,property tax , Trade License ,Legal Case Mgt. System ,Inventory Management System.</p> <p>Other Modules like file tracking System, birth & death registration, citizen grievance, SWM system are also being used.</p> <p>For project management module, data migration is completed and the module is scheduled to go live soon.</p> <p>For water supply and SWM, billing and collection is computerised.</p> <p>KDA has developed system for online submission of building plan however detail functionality will be covered in State Level Application</p> <p>For E-procurement, tender is being posted on the website of KNN. However NIC has developed E Procurement module for the state which is testing phase.</p> <p>Capacity building of staff for full and final adaptation of state level module is being done. Till date 240 KNN staff has been provided training in different training programs:</p> <ul style="list-style-type: none"> - 6 IT Trainee Personnel and 1 IT Network expert engaged through Agency for handholding support to KNN staff - Two Batches of 60 staff members were trained in the month of Mar 2011 and Sep 2011 for computer literacy - 40 officers and staff were sent to ASCII, Hyderabad for capacity building. - “ KNN Centre For Excellence “ has been established in the main building to cater to training needs. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| <ul style="list-style-type: none"> Property tax | 2008-09 | Completed | <p>Computerized/online Bills are being generated on the basis of GIS based Property tax System. GIS database has already been integrated with Property tax system. GIS database regularly updated with identified new properties at the time of issue of NOC and other related approvals. Bill generation and receipt is through the Property tax software. Property tax software is linked with the KNN's website. User can view outstanding due and also make online payment through the website. Presently multiple payment options are available for citizen such as payment through Zonal offices, Citizen Cyber Point cum Cyber cafe, online payment gateway etc. Thus Collection centres also linked with the property tax centre on real time basis. This software has not been integrated with the Accounting Software. Upon development of Finance and Accounting Software (FAS) Integration would be made.</p> |
| <ul style="list-style-type: none"> Accounting Software | 2008-09 | Completed | <p>Earlier accounting was being done on Tally ERP.9 accounting software following DEAS. Now, integrated software for accounting application is developed by E-Governance Foundation. KNN has tested the application and migration of master data (chart of account, Fund, Function, Schemes etc) has been done. The new software is being used for day to day data entry. Also, accounting for JALKAL is now integrated with KNN through web based application under double entry accounting system. KNN has created a common chart of accounts, fund, function, schemes etc. Wireless WAN connectivity is provided to JALKAL for the use of integrated mechanism. First phase of capacity building /training has been done to facilitate the use of software.</p> |
| <ul style="list-style-type: none"> Water Supply and Other Utilities | 2009-10 | In progress with delay | <p>Billing and collection is computerized. Water Billing is being done at Jalkal through software given by UP Electronics Corporation, payment system is integrated with billing module, and various MIS reports can be generated through system. Connectivity with KNN Server through RFID is given to Jalkal to share the Property Tax /Accounting Database and other applications.</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|----------------------|--|
| <ul style="list-style-type: none"> Birth & Death Registration | 2007-08 | Completed | <p>Birth & Death data since 1971 has been digitized. A web based application for registration for Birth & Death certificate is in place.</p> <p>Although many hospitals are linked to the system, registration has to be supported through physical document submission. Therefore, online issuance of Birth & Death certificate is not there.</p> <p>Registration of Birth & Death certificate is online; certificate is computerised and after manual signature, it can be collected from the KNN office. Online solution through digital signature is proposed under state level approved DPR. Cyber cafes have also been roped in to assist citizens in accessing the online forms, filling forms etc. The fee for providing such services has been prefixed.</p> |
| <ul style="list-style-type: none"> Citizens' Grievance Monitoring | 2007-08 | Completed with delay | <p>Web based Grievance System has been Started from 23 May 2010. KNN has also established call centre for Grievance Registration. Further SMS base system is also established where in SMS is sent at to complainer for the acknowledgement and an SMS is also sent to the concerned officer detailing about the complaint and mobile no of complainant, when complaint is resolved, an SMS is also sent to complainant indicating the progress status. Escalation system is also in-built, in case of non-resolution of complaint in specific time period, at which point the complaint is sent to senior officials for necessary action.</p> <p>2 desks have been created at the entrance of KNN for grievance handling and PT collection where data is fed directly into the respective module.</p> |
| <ul style="list-style-type: none"> Personnel Management System | 2008-09 | Completed with delay | <p>Employee's information including service book information and payroll system has been implemented. ECS is in place and monthly play slip is being issued.</p> |
| Procurement and Monitoring of Projects | | In Progress | <p>Testing phase of module for Project Monitoring is complete; the roll-out is scheduled to happen. No specific time-frame for the same was given by KNN</p> |
| <ul style="list-style-type: none"> E – Procurement | Not committed | Completed | <p>For Procurement, Tender is being published through website, Work Order, Indenting, MRN, Bill and Payments are being done through Web Based Application.</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|----------------|--|
| | | | Currently, tenders are uploaded on the website. NIC is developing a e-tendering module |
| <ul style="list-style-type: none"> Project/Award Works | Not committed | Completed | <p>Estimate creation , Measurement book and contractor /Supplier billing is being done through Integrated Software</p> <p>Software has been procured and Schedule Of Rates and estimates are prepared online. Details of contractor etc are also available on the integrated e-governance portal accessible through website.</p> |
| Building Plan Approval | 2011-12 | In Progress | <p>KDA is responsible for Building Plan approval. KDA has developed software to apply online for building plan approval; although approval mechanism is manual .KNN has developed system for recording the new building plan data while issuing NOC for future use in property tax assessment.</p> |
| Health Programmes | | | |
| <ul style="list-style-type: none"> Licenses | 2010-11 | In progress | <p>Window registration is done. Form is available on the website. Data maintenance of trade licenses is done on computers. Full fledged online system will be developed in state e-governance module.</p> |
| <ul style="list-style-type: none"> Solid Waste Management | 2010-11 | In progress | <p>GPRS based vehicle tracking has been started by A2Z.</p> <p>The software for billing and collection of user charges is in place.</p> |
| Any other mode | | | <p>Exclusive municipal website http://kmc.up.nic.in developed</p> <p>Legal case management system has been started and other systems - Asset Management System, Estate Management System and File Tracking Systems and Online Payment Gateway (SBI and AXIS Bank) are also operational.</p> |

5.1.1 Issues in implementation of the reform

- Integration of water supply module between KNN and JALKAL needs to be done immediately.
- Delay in development and deployment of state level modules will impact their replication in ULBs which in turn will impact ULBs pace of moving to an integrated E-Governance framework. For instance, E-Procurement system and Building Plan approval system are something that requires implementation of modules not only at the state level but also in other para-statal agencies like KDA.
- Lack of coordination between para-statal agencies is further delaying and affecting the reforms implementation such as computerized building plan approvals. This is required as KDA is responsible for building plan approval where as KNN issues NOC. Any building plan can be



approved upon issuance of NOC from KNN only. Thus seamless data flow between two Government agencies is the key for Building plan approval system.

5.1.2 Action required by state government

- Expedite the development and deployment of state level E-Governance framework.
- Evolve a mechanism or action plan for data migration to E-Governance modules to be developed once DPR is approved. Such action plan is required at state level, and should be included as part of scope of state level vendor who will develop state wide E- Governance platform. This should be given priority as all the ULBs will face this issue
- Form a mechanism for consultation and standardisation of processes and tasks. This is necessary since many state government agencies are involved in expediting similar task using incompatible file formats and application standards. For e.g. roles and responsibility of Development Authority involves approval of building plans. However, such plans also require NOC from the KNN.
- Set up a guideline for maintaining service levels for E- Governance. Further set up monitoring mechanism ensuring achievement of service levels.
- Create a post of IT Cadres which can provide handholding support in hardware, networking and E- Governance operation related issues. Presently contractual post of IT personnel is created in PIU.
- Create an E-Governance cell for showcasing the best practices implemented by the ULBs. Further, these best practices could be replicated in other ULBs.

5.2 L2 – Municipal Accounting

| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| Resolution by Government expressing commitment to establish modern municipal accounting system | 2007-08 | Completed | GoUP has entered into a tripartite agreement after the passing the resolution to establish modern municipal accounting system. |
| Appointment of consultants for preparing municipal financial accounting manual. | 2007-08 | Completed | Integrated Management Group (IMG) has been appointed at State level. |
| Completion and adoption of Municipal Financial Accounting Manual, in line with NMAM or otherwise | 2007-08 | In progress with delay | Municipal financial accounting manual is pending approval at the state level. However, Chart of Accounts & Vouchers has been prepared following UPMAM/NMAM and customized as per requirements of KNN. The customized charts of accounts and vouchers are being used in day to day transactions since 1st October 2011. |
| GO/Legislation/Modification of Municipal Finance Rules for migrating to double-entry accounting system | 2007-08 | Completed | Go No4094/9-5-2008-119/2007 dated 2 May 2008 & Go No 1552/9-5-2011-119/2007 dated 18 March 2011 issued indicating a cutoff date for full migration to Accrual based double entry system |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| | | | <p>from 01.04.2011 along with existing single entry system.</p> <p>Provisions of the UPMAM will be incorporated in Municipal Account Code 1980 & Nagar Mahapalika Niyamavali 1958 and will be merged into common UP Municipal Rules 2011 which will then be submitted for approval by the state government</p> |
| Training of personnel for new Accounting System | 2007-08 | Completed | <p>Third stage in-house training given by the MFO and software developer. Interdepartmental team comprising Accountant, Astt. Accountant & Account Clerk etc are fully trained for working on new vouchers based on new chart of accounts as per UPMAM & Accounting Standards for Local Body (ASLB) issued by ICAI along with working on financial accounting software system.</p> <p>The E-champions for DEAS have been nominated and providing day to day training and hand holding to all KNN staff under the supervision of Municipal Finance Officer.</p> |
| Appointment of field-level consultant | 2007-08 | Completed | <p>M/s D Ganguli & Co. Chartered Accountants has been appointed for audit of Accrual based Double Entry System for 2011-12.</p> <p>M/s ARSAN & Co. Chartered Accountants was earlier appointed in May 2008 as consultant.</p> |
| Notification of cut-off date for migration | 2007-08 | | <p>Notified and total migration from 1-4-2011 as per Government order. The accounts are maintained at Single & Double Entry Accounting Systems simultaneously as directed by the Govt. except Income recognition.</p> <p>Total Migration from 01-04-2011 including Income recognition on Accrual basis according to ASLB 3 (Revenue from Exchange Transaction) issued by ICAI.</p> |
| Re-engineering of business processes to aligning with new system | 2007-08 | In progress | <p>The Municipal Finance Officer (CA) handholds KNN staff for implementation of DEAS on regular basis..The day to day receipts of income is received on detailed accounting code w.e.f. 01st April 2013</p> <p>The KNN employees are fully trained to use New Chart of Accounts & Vouchers prepared following UPMAM/ NMAM.</p> |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|----------------|----------------|---|
| | | | An interdepartmental accounts team has been organized to coordinate effective implementation of DEAS. |
| Completion of registers and valuation of assets and liabilities. | 2008-09 | Completed | Compiled with the help of the Chartered Accountant firm M/s ARSAN & Co. The valuation of all assets and liabilities as on 01.04.2008 is finalized and being adopted. The revaluation of assets will be made at three year interval according to ASLB 5 (Property, Plant & Equipment) issued by ICAI. |
| Drawing provisional opening balance sheet | 2008-09 | Completed | Opening Balance Sheet as on 01.04.2008 has been prepared and audited and adopted. |
| Adoption of Provisional opening balance sheet | 2008-09 | Completed | Audited Opening Balance Sheet as on 01.04.2008 and adopted |
| Finalization of opening balance sheet | 2008-09 | Completed | Audited Opening Balance Sheet as on 01.04.2008 is finalized. |
| Full migration to double entry accounting system | 2008-09 | | Fully migrated to DEAS w.e.f. 01.04.2011 as per Go No 1552/9-5-2011-119/2007 dated 18 March 2011. Cash based system is also being maintained simultaneously as per DLB instructions |
| Production of financial of statements as per new system | 2008-09 | Completed | The Audited Opening Balance sheet as on 01.04.2008, Audited Balance Sheet for the year ending as at 31.03.2009 & 31.03.2010 and Provisional Financial Statement for the year ending 31.03.2011 & 31.03.2012 has been published on website of corporation. |
| Creation of mechanism for external audit | | Completed | M/s D Ganguli & Co. Chartered Accountants appointed for External Audit of Books of Accounts for the year ending as on 31.03.2009, 31.03.2010 & 31.03.2011. B/S for 2008-09 and 2009-10 has been audited. |
| Commencement of External Audit of Financial Statements | No commitments | Completed | AG & Local Fund Audit has been performed in the supervision of State Government every year. M/s D Ganguli & Co. Chartered Accountants appointed for External Audit of Books of Accounts for the year ending as on 31.03.2010 & 31.03.2011. |
| Commencement of preparation of Outcome Budgets | 2007-08 | In progress | Outcome budgeting has been attempted but requires more clarity in order to be fully implemented |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|---|----------------|------------------------|--|
| Instituting of internal audit/control mechanism | No commitments | Completed | Internal audit /control mechanism is already exists as Mukhya Nagar Lekha Parishak is performing internal Audit of every transaction on regular basis. |
| Undertaking of credit rating. | 2007-08 | | BB+ by CARE Ratings for year 2008-2009 |
| Integration with Procurement system | 2009-10 | In progress with delay | Integration of modules with accounting module is being done |
| Integration with Works contracts management | | | The full Integrated Mechanism will be done after implementation of State level Software however the modules namely Payroll & wage, Store & inventory, Tax collection system of E-gov software are being running on integrated mechanism with Financial accounting system. State level integrated accounting software is being prepared by CMC Ltd. The KNN is actively participated in user assessment test (UAT) of such Software and facilitated incorporation of following additional features: |
| Integration with Payroll and wage payments | | | The Budget Seal and Cost Centre Functions are incorporated. |
| Integration with Store & inventory management | | | The RTGS/ NEFT/ ECS payment mechanism is incorporated with production of Payment Advice. |
| Integration with User charges billing systems | | | The Receipt Advice mechanism is incorporated for Cheque Receipt. |
| Integration with Tax collection system | | | The exportable reports of statutory deduction for compliance of different law like TDS, VAT, Cess, Service Tax, PF and GIS are incorporated. |

5.2.1 Issues in implementation of the reform

- No major issues have been observed in Kanpur

5.2.2 Action required by state government

- Accounting Manual prepared in line with the National Accounting Manual should be approved by the State Government for its mandatory application at all the ULBs across the State of Uttar Pradesh.
- Amendments to the Municipal Act may be initiated at the State level in order to incorporate therein necessary mandatory provisions for introducing external audit of Financial Statements of all the ULBs by the office of the AG, Uttar Pradesh



5.3 L3 – Property Tax

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|--|--|
| Property Tax | | | |
| Enhancing Coverage to all properties | - | Completed | All properties are assessed with the exception of 3692 exempted properties. 100% coverage. |
| Elimination of exemptions | 2007-08 | Completed as per timeline | Exemptions are given as per U.P. Municipal Corporation Act 1959 |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Setting up a team to draft legislation | 2006-07 | Completed in advance for residential properties | <p>The amendment for Self-Assessment for Residential Property has been incorporated in the Nagar Nigam Act, 1959 & The Uttar Pradesh Municipal Corporation (Property Tax) (Second Amendment) Rules, 2009 have been framed.</p> <p>Rules are being framed for self assessment of non-residential properties</p> |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Stakeholder Consultations | 2007- 08 | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Preparation of Draft Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Enactment and Notification of Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Implementation by Municipalities | 2008-09 | <p>Completed in advance for residential properties</p> <p>In Progress for commercial and industrial properties</p> | <p>Self assessment for the residential buildings was implemented in 2002. Online payment system was also introduced in May 2009.</p> <p>Amendment for Self-Assessment for Commercial Property has been introduced. Presently rules are being framed for introducing self assessment system for non-residential properties.</p> <p>However on-line system of property tax calculations for commercial properties has been developed as base rates and formulation have been developed and put on KNN's website.</p> |
| Setting Up non-discretionary method for PT | - | Completed in advance for residential properties | <p>Unit area method adopted in 2002 for calculation of property tax for residential buildings.</p> <p>Migration to Self assessment systems for commercial and</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|--|---|
| | | In Progress for commercial and industrial properties | industrial buildings shall be done once rules for the same have been framed. |
| <ul style="list-style-type: none"> GIS - Selection of Consultant | - | Completed | NIIT-GIS Ltd New Delhi Selected and has completed the GIS survey. |
| <ul style="list-style-type: none"> GIS – Preparation of digital maps | 2008-09 | Completed | 1:1000 & 1:10000 scale maps prepared for mapping and planning purposes with ward as unit. Verification done by survey teams. All the 110 wards properties re-assessed with the help of GIS based property tax applications. Listing of new properties is being done at time of NOC and GIS database is also regularly updated. GIS database is also integrated with the property tax software. Presently administration of PT is through GIS. |
| <ul style="list-style-type: none"> GIS – Administration of PT using GIS | 2009-10 | | |
| Next/Anticipated revision of guidance values | | | Guidance Value was revised in 2008, approximately 6 years after the introduction of Unit Area Method as against provisions of two years. Next revision is due in 2010 and deadline for revision has been kept at 01-04-2012. However public and political resistance for upward revision of guidance values is an area of concern. |
| <ul style="list-style-type: none"> Deadline for adoption of guidance values | Done | Completed | |
| Taxpayer Education Programme – Preparation of Ready Reckoner | Done | Completed in advance for residential properties | A ready Reckoner prepared for residential properties. |
| Taxpayer Education Programme – Camps For Doubts & Form Filling | Done | Completed in advance | Ward wise camps organized and regular meeting with various association of industry is organized. Ward divas is being jointly organized in every zone with print media-Dainik Jagran on every Tuesday to create awareness and resolve civic issues. This activity has been widely covered. Kavi-sammelan and Mushaira was organized. Motivational messages are displayed on bus shelters in the city. Leaflets and posters were distributed. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--|---------------------------|---|
| Taxpayer Education Programme – Website on PT issues/FAQs | 2007-08 | Completed as per timeline | Municipal website developed http://kmc.up.nic.in Web content educates and enables calculation property tax |
| Establishing of Dispute Resolution Mechanism | No timeline | In progress | Formal Mechanism but Appeals against assessment to the small causes Court. |
| Rewarding Honest Tax Payer | No timeline | Completed as per timeline | 10% rebate on payments made for current year's demand notice before specified last date. |
| Achievement of defined % coverage ratio in PT* | 2009-10 | Completed | KNN's tax administration assesses all properties, i.e. 451994, except 3692 exempted properties. Further upcoming properties have been identified through tracking of NOC and regular site visits by staff. Hence Coverage Ratio for KNN is at 100% |
| Achievement of defined % collection ratio in PT* | 2009-10 | Completed | For 2013-14, till Feb 2014, total demand was Rs. 75.59 crores and collection was Rs. 59.20 crores which will go up by March 31, 2014. Collection efficiency is 78%. KNN reported a collection efficiency of 96% in 2012-13; Against a total demand of Rs. 68.72crores, collection was recorded to be Rs. 65.98 crores. |
| Improving arrear collection (<=10%)* | 2009-10 - 16%, 2011-12 – 5% 2012-13 – 4.2% | Completed | Arrear collection efficiency is at 72% for 2011-12. Arrear as percentage of current demand is at 4.2% |

5.3.1 Issues in implementation of the reform

- Self-assessment for commercial buildings should be operationalized quickly since the framework is ready.

5.4 L3 – User Charges

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|-------------------|-------------|----------------|-------------------------------------|
| User charges | | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|---|--|
| Formulate and adopt a policy on User Charges including targeting of subsidies, full realization of O&M costs | No timeline Committed | In Progress with Delay | <p>KNN has formulated byelaws for user charges for different services / use of resources</p> <p>ULBs have been empowered to levy and collect the User Charges for civic services such as Water Supply, SWM, Sewer etc through the Amendment in UP Municipal Act, 1916 in September 2009.</p> <p>No volumetric tariff at present; However, GoUP issued GO for implementation of water meters in UIG Cities.</p> <p>The ULB has formed rules for SWM user charges. Presently it is being collected from 40 wards out of 110 wards.</p> |
| Setting up of body for recommending UC structure | 2007-08 | No initiative at State Level In Progress with Delay at KNN level | <p>The executive committee and board is empowered to formulate the UC structure. No such body was constituted at state level.</p> <p>KNN has formed rules for SWM user charges.</p> |
| Establishment of Proper Accounting System | | | |
| <ul style="list-style-type: none"> ▪ Solid Waste Management | 2009-10 | Completed with delay | O&M cost for Solid Waste Management has been established under PPP model and books of accounts maintained under DEAS on the basis of regular MIS provided by PPP. |
| <ul style="list-style-type: none"> ▪ Public transport | NA | Not Applicable | Being Done by Kanpur city bus services Ltd |
| <ul style="list-style-type: none"> ▪ Water Supply and Sewerage | 2007-08 | In progress with delay | Integrated financial accounting software provided by E-Gov Bangalore has been developed and new chart of accounts and master data has been uploaded on KNN and Jalkal. The training to the key persons of Jalkal has been given and other accounting staff is being trained for work on such software. |
| Achieving new service standards | | | |
| <ul style="list-style-type: none"> ▪ Water supply – LPCD | 2011-12 | In Progress | Present Water Supply is 110 LPCD. Average duration of water supply is 6 hours. |
| <ul style="list-style-type: none"> ▪ Water supply – Hours of supply | No info | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| <ul style="list-style-type: none"> Water supply – Non-revenue water | | | <p>Presently 236882 residential properties have water supply connections out of total 360733 residential properties. This indicates poor water supply coverage of 61%. Further 17318 commercial and institutional properties have water supply coverage out of total 82972 non residential properties. However, drive for regularization has been initiated & 137 water connections have been regularized.</p> <p>Under JNNURM, UP Jal Nigam is replacing NRV & Sluice valves and also replacing of old damaged pipe lines. Also, camps for unauthorised connections organised around 2000 connections have been regularised. Currently the NRW is estimated around 40%.</p> <p>KNN has also initiated energy audits under WWF-India's living Ganga programme. From the earlier consumption of 110.7 kw/hrs the energy requirement has been reduced to 97.6 kw/hrs after implementation.</p> |
| <ul style="list-style-type: none"> Sewerage - % of population covered (65%) | 2010-11 | In Progress with delay | <p>Total of 138359 properties have sewer connections. This indicates 32% of sewer coverage. Further KNN reported 60% of population being covered with sewerage services.</p> <p>It was indicated that Service Standards shall be achieved upon implementation of water supply projects which are being implemented under JNNURM.</p> |
| <ul style="list-style-type: none"> Sewerage - % of sewerage | 2010-11 | | |
| <ul style="list-style-type: none"> Solid Waste Management | 2009-10 | | SWM project has been implemented on PPP project. |
| <ul style="list-style-type: none"> Public transport | NA | NA | Not Applicable |
| Achieving new UC structure | - | | |
| <ul style="list-style-type: none"> Water Supply | 2009-10 | Not Initiated | <p>Water supply network and sewer Network is implemented by Jal Nigam and metering shall be done by it and no progress in the field of volumetric tariff decision has been made.</p> |
| <ul style="list-style-type: none"> Sewerage | - | | <p>Presently flat water supply tariff has been calculated and charged based on following two methods and</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|------------------------|---|
| | | | <p>whichever is higher from followings is applicable.</p> <p>Flat water supply charges and Sewer charges based on ferrule size and different slabs of ARV for residential and commercial property.</p> <p>Water tax 12.5% of ARV and Sewer tax 4% of ARV.</p> <p>This is based on of Notification issued in 1999 by GoUP. User charges have been increased 5% at regular interval of three years.</p> |
| <ul style="list-style-type: none"> Solid waste management | - | In progress | Based on tariff structure sanctioned by competent authority a simplified user charge structure has been formulated and being implemented in which Rs. 10 per month is being charged from the urban poor whereas Rs 30-50 for each house hold per month from residential and maximum Rs. 1000/- to Rs. 5000/- per month from non-residential is being charged/ collected on PPP model |
| <ul style="list-style-type: none"> New Public transport | NA | NA | NA |
| Achieving Volume based tariff & 100% metering | 2008-09 | Not Initiated | <p>Volumetric tariffs have been approved and will be implemented after completion of water supply project.</p> <p>Presently NRW is 40%. By saving 21 MLD water it will reduced to 35%. 1.2% UFW has been reduced by replacing sluice and butterfly valves at raw water PS. Target will be achieved post JNURM works.</p> |
| Max. Target for non-revenue water | 2009-10 -6% | | |
| Max. Target for Unaccounted water | 2009-10 - 21% | | |
| Study on quantification & impact of subsidies | 2009-10 | In progress with delay | The appointment of consultant is under process and department level study on quantification & impact of subsidies on water supply, sewerage and SWM services at KNN level has been made. |
| Tabling & Approval of study on subsidies by Municipality | 2009-10 | Not Initiated | No such formal study |
| Achieving of Full Recovery in OM from UC-WS* | 2009-10- 84%, | In Progress | <p>For 2013-14, till Feb 2014, the O & M cost was Rs. 79.4 crores and collection was Rs. 56.5 crores, indicating a cost recovery of 71%.</p> <p>In 2012-13, collection is reported at Rs. 54.84 crores against O&M expenditure (Including Electricity) of</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--------------|----------------|--|
| | | | Rs. 62.11 crores. Thus, the cost recovery is around 88.29%. As there is no change/ increase in the tariff since FY 2007-08. Now considering provision of metering, tariff revision is in process. |
| Achieving of Full Recovery in OM from UC-Sewerage* | 2009-10-84%, | | User charges recovered is Rs. 13.21 crores against O&M Cost of Rs. 24.92 crores (Including Electricity) during F Y 2012-13 i.e. 53.00% |
| Achieving of Full Recovery in OM from UC-SWM* | NA | In Progress | For 2013-14, while the ULB reports 22% recovery, the private sector partner has stopped operations. User charges recovered is Rs. 6.12 crores against O&M Cost Rs. 13.86 crores during F Y 2012-13 i.e. 44.15% |
| Achieving of Full Recovery in OM from UC-Public Transport | NA | NA | Not applicable |

5.4.1 Issues in implementation of the reform

- Coverage as well as collection efficiencies can be improved only after completion of JNNURM projects.
- NRW and UFW reduction is also a critical area of concern and requires regular monitoring of targets.
- Steps are yet to be taken forward for improving the service delivery mechanism in terms of sewerage network coverage.
- Limited coordination between multiple agencies involved in Water Supply. Jal Nigam is responsible for implementation of water supply network as well as water meters. However, Jalkal is responsible for O & M of water supply and sewer. This leads to the interdepartmental formalities and further delay in the development of the projects for water supply and sewerage network affecting coverage and quality. Thus, any initiation on user charges against such services becomes difficult.
- Lack of understanding about calculating the O&M cost especially for SWM.

5.4.2 Action required by state government

- Form an inter-governmental mechanism for coordination and review of water supply projects.
- Impart the trainings on skills development for better service delivery. Such trainings are service level benchmarking, water auditing and NRW.
- Constitute a committee for effective implementation of metering across the state.
- Initiate consultative approach to form political consensus for new tariff structure for municipal services.
- Provide handholding support to ULBs for setting up new tariff structure and set a timeline for volumetric tariff implementation.



5.4.3 Action required by ULB if any

- Liaise with Jal Nigam for completion of JNNURM projects and installation of water meters.
- Impart trainings to engineers on service level benchmarking, sector knowledge and new technology available in the market for better service delivery.
- Installation of meters at production source will help in estimating distribution losses and hence reduce NRW.
- Use ward councillors and media in tax payer’s education and awareness on payment of user charges based on volumetric tariff. Communicate the benefits of paying taxes to lower the public resistance.
- Provide correct figures pertaining to O&M cost of various services

5.5 L3 – Internal Earmarking of Funds for Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| Internal earmarking of funds for services to urban poor | | | |
| Reform in Accounting & Budgeting Codes to identify income and expenditure for poor | 2008-09 | In progress with delay | A Cost Centre is being maintained by creating Fund Code: 05 namely Urban Poor Service Fund in new Chart of Accounts of Corporation in the absence of separate major or minor account code in UPMAM. All the transaction relating to Urban Poor has been identified account wise through such cost center. Provision for service to urban poor has been made in budget and separate code provided. |
| Creation of separate Fund in Accounting System for Services Of Poor | 2007-08 | In progress with delay | Separate fund of Urban Poor become operational through Cost Centre using Fund Code in new chart of accounts. Further in old chart of accounts separate account and codes has been used for expenditure incurred for Urban Poor however operation & transfer of resources is subject to amendments in Municipal Accounting Rules. |
| Amendments in Accounting Rules for Services Of Poor | 2007-08 | No initiative taken | The UPMAM has been approved by State Govt. and provisions of the UPMAM incorporated in Municipal Account Code 1980 & Nagar Mahapalika Niyamavali 1958 and have been merged into common UP |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|----------------|----------------|--|
| | | | Municipal Rules 2011 which are being put up before cabinet of GoUP. |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total Revenue Income. | 2009-10 - 16%, | | Provision for Rs. 1846.00 Lakhs Revenue Expenditure has been made in Revised Budget for FY 2011-12 out of which Rs 1313.99 Lakhs has been incurred during F Y 2011-12. Provision for Rs. 2762.50 Lakhs Revenue Expenditure has been made in Budget for FY 2013-14 out of which Rs 302.55 Lakhs has been incurred till Aug 2013. |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total Own Source of Revenue Income | 2009-10 - 16%, | | Provision for Rs. 796.00 Lakhs Revenue Expenditure has been made in Revised Budget for FY 2011-12 out of which Rs 607.54 Lakhs has been incurred during F Y 2011-12. Provision for Rs. 1462.50 Lakhs Revenue Expenditure has been made in Budget for FY 2013-14 out of which Rs 294.26 Lakhs has been incurred Aug 2013. |
| Targeted capital expenditure on delivery of services to poor per annum, expressed as % of Total Capital Expenditure | 2009-10 - 12%, | Completed | Provision for Rs. 87.50 Lakhs Capital Expenditure has been made in Revised Budget for FY 2011-12 out of which Rs 73.93 Lakhs has been incurred during F Y 2011-12. Provision for Rs. 187.50 Lakhs Capital Expenditure has been made in Budget for FY 2013-14 out of which Rs 28.96 Lakhs has been incurred Aug 2013. |

5.5.1 Issues in implementation of the reform

Since KNN is a budget surplus ULBs, the earmarking should also happen on total and own source revenue which is currently not the practice

5.5.2 Action required by state government

- The State Government needs to keep constant vigil on the compliance of such reforms. The State Government could also conduct site inspections to observe the progress of reform as per the JnNURM standards

5.5.3 Action required by ULB if any

- Make planned expenditure for earmarked fund based on need assessment in consultation with DUDA, ward councillors and NGOs working for urban poor areas.
- Target the revenue expenditure as per the milestone specified in MOA.



5.6 L3 – Basic Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| Basic Services to Urban Poor | | | |
| Formulation and adoption of comprehensive policy and services to poor | No info | In progress | <p>At state level GoUP has launched several schemes for providing basic services to urban poor which include security of tenure and improved housing at affordable prices. Schemes which are being implemented are Sarv Jan Hitay Gareeb Avas (Slum Area) Malikana Haq Yojna, Manywar Shri Kanshi Ram Ji Shahri Avas Yojna. District Urban Development Authority (DUDA) is responsible for implementation of such schemes.</p> <p>Presently DUDA Kanpur completed the survey in 2009-2010. Compilation and analysis is under process. Upon arriving at findings, it will make suitable recommendations in the context of findings, concerning comprehensive policy & services to poor.</p> <p>Based on the recommendations of the last appraisal cycle, efforts at stepping up coordination have been taken. Environment Officer of PIU-KNN has been specially assigned the role of coordination with DUDA. DUDA is also regularly coordinating with BSA, DPO,SWO, CMO, & KNN for providing basic services to urban poor's</p> |
| Survey of Poor HH | 2007-08 | In progress with delay | HH level survey completed in 2009-10 and 493 slums have been identified. |
| Database creation for targeting HH level schemes | 2007-08 | In progress with delay | Database has been developed |
| Prioritisation of Poor Settlements by participation method | 2008-09 | In progress with delay | Being done using the database |
| Max. Achievement of HH level piped WS* | 2009-10-30% | In progress with delay | It was reported that service standards will be achieved after the Implementation of project under JNNURM. |
| Max. Achievement of Public Taps (defined hours)* | 2009-10-30% | | |
| Max. Achievement of Public Taps (def. dist from HH)* | 2009-10-30% | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------------------------|------------------------|--|
| Max. Achievement of Hand-pumps/Tube-wells* | 2009-10-35% | | |
| Max. Achievement of Water Tanker Supply* | 2009-10 (35%) | | |
| Max. Achievement of HH level toilets* | 2009-10 (20%) | In progress with delay | Total 913 HH with individual toilet units have been completed. |
| Max. Achievement of defined disposal sys for HH toilets* | 2009-10 - 20%, 2010-11- 30% | - | No Info |
| Max. Achievement of Comm. Toilet Seats* (to be used for floating population) | 2009-10- 20%, 2010-11- 30% | In progress with Delay | Total 207 community toilets with 1780 seats have been constructed in urban poor areas There are 88 proposed public toilets in the city out of which 13 are under construction and 40 urinals have been completed along road side in the city. |
| Max. Achievement of Avg. dist of Community Toilets from HH* (to be used for floating population) | Same as above | | |
| Max. Achievement of def. disposal Sys for Community Toilets* (to be used for floating population) | Same as above | - | No Info available |
| Max. Achievement of Underprivileged Facilities in Community Toilets. (to be used for floating population) | | | |
| Max. Achievement in Pucca Housing | 2009-11 | In progress with delay | 7802 were proposed out of which 1810 houses are surrender. Work is under process for 32319 houses. 4583 houses are allotted |
| Max. Achievement in Night Shelters for homeless | 2009-10 – (40%) 2010-11- 60% | | 83 community centres and 28 night shelters have been constructed. |
| Def. Achievement in Street Sweeping | 2009-10 | In progress with delay | Regular street sweeping is being done on daily basis. |
| Def. Achievement in Waste Collection | 2009-10 | | Regular door to door waste collection is being done. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|---|
| Def. Achievement in lifting waste from Community Bins | 2008-09 | - | Daily waste collection is done |
| Def. Achievement in HH access to Pucca Roads | 2011-12 | In progress | 70% households have access to pucca roads |
| Def. Achievement in Cluster access to Pucca Roads | 2011-12 | | 72% of slums have access to pucca roads |
| Def. Achievement in HH access to covered SW drains | 2011-12 | - | 70% completed |
| Def. Achievement in Street illumination | 2010-11 | In progress | 70% of urban poor localities have street lights. |
| Def. Achievement in Anganwadi/Crèche | 2011-12 | In progress | 467 Anganbadi centres are being run in the city |
| Def. Achievement in Community Halls | 2010-11 | - | No Info |
| Def. Achievement in Preventive Health Care (advisory) | 20109-10 | | |
| Def. Achievement in Curative HealthCare – reliability | 2011-12 | In progress | 6 hospitals and dispensaries for healthcare in the city. Health department of GoUP is responsible for providing primary health care services. KNN reported that many primary health care centres have been established and regular services have been provided. Detailed information is not available |
| Def. Achievement in Curative HealthCare – distance | 2011-12 | | |
| Def. Achievement in Pri.Edu – Enrolment | 2011-12 | | There are 622 pre-primary schools and 1622 primary schools; 4319 enrolments for pre-primary and 138824 for primary schools have been reported. Dropout rates have been reported to be 5.15% for pre-primary schools while 7.15% for primary schools |
| Def. Achievement in Pri.Edu – Drop Out | 2011-12 | | |
| Def. Achievement in Pri.Edu – distance | 2010-11 | | |
| Skill development | | | Skill development Training in different trades completed -4202 and in progress for 1550 beneficiaries |
| Micro credit | | | 90 groups are in function. 51 community development societies are working. |

5.6.1 Action required by state government

- Form a department wise service level guideline and action plan towards providing services to Urban Poor and communicate the same with all concerned Government department.



- Form an inter-governmental mechanism for coordination and review of projects undertaken by different Government agencies for services to Urban Poor.
- Support the project development process initiated by DUDA through preparation and finalization of DPRs, issuance of tenders and award of contracts as soon as possible.



6. Appraisal of ULB Level Reforms – Allahabad

6.1 L1 – E-Governance

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------------|--|
| E – Governance | | | |
| Appointment of State-level Technology Consultant as State Technology Advisor | 2006-07 | Completed with delay | <p>Initially Price Waterhouse Coopers (PWC) has done “as-is” survey. Subsequently IIT Kanpur was appointed as an E-Governance consultant and submitted the ULB level DPR of each UIG City for E-Governance.</p> <p>Meanwhile Ministry of Urban Development, GOI stipulated changes in directives and issued new guidelines for E-Governance in 2009 and directed states to prepare the state level uniform E-Governance modules vide its letter numbered No: K-14012/119/09-NURM I .</p> <p>In response to that, the UD department of GoUP had appointed IIT Kanpur again as State Level Technology Consultant in 2009 and submitted State Level DPR to MoUD, GOI in August 2010. This DPR was approved in February 2011.</p> <p>National informatics centre (NIC) has been entrusted with implementation of DPR.</p> <p>Further E- Governance DPR of Allahabad Nagar Nigam (ANN) was modified and has been approved in Feb 2012 worth Rs 3.38 crores. Agreement will be signed in March 2012 post which tendering process will begin.</p> |
| Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP | 2007-08 | Completed with delay | Preparation of MEDD is part of state level Common DPR which has been approved recently. |
| Assessment of MEDD against National E-Governance Standards | 2007-08 | Completed with delay | MEDD is as per the National E-Governance standards and Part of state level DPR which has been approved recently. |
| Finalisation of Municipal E-Governance implementation action plan for the city | 2007-08 | Completed with delay | Prepared and part of the state level DPR submitted to the MoUD, GOI and approved. Further ANN has also prepared action plans as part of ANN level DPR. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------|---|
| Undertaking Business Process Reengineering (BPR) Prior to migration to E-Governance systems | 2007-08 | In progress with delay | E-governance modules are being used by every section in Nagar Nigam and every section is linked with each other which meet out the purpose of BPR. Full Realization of BPR will be done in implementation Phase of E-Governance Project. |
| Appointment of Software consultant(s) / agency for development, deployment and training | 2007-08 | Completed as per timeline | M/s Uttar Pradesh Electronics Corporation Ltd., (UPLC) is appointed as software consultant and an M/s CE Info system has been assigned the task of GIS Survey. Both the agencies would implement projects, deploy manpower and train the ULB employees. ANN Level E-Governance DPR prepared by "Analog Systems, Lucknow" has been prepared and submitted to GoI through SLNA in Sep'11 which has been recently approved after revisions. |
| Exploring PPP option for different E-Governance services | 2007-08 | In Progress with delay | PPP option has been adopted for few e-Governance modules. Cyber Citizen Points have been authorized by Nagar Nigam to provide civic services PPP Cell has been created under the supervision of Environment Eng. |
| Implementation of E-Governance modules | | In progress with delay | Software is used for Property Tax , Death & Birth Registration, Public Grievance Monitoring System and Payroll & wage management, Tally is being used as accounting software. The ULB has its own website. |
| Property tax | Done | In progress with delay | Computerised Demand notices are generated. Property tax software is integrated with website for online payment. Citizen can also view their outstanding bills through website. All the records regarding property tax are digitised and GIS database is also integrated with property tax software. This software has not been integrated with the Accounting Software. Upon development of Finance and Accounting Software (FAS) Integration would be made. At state level, Vendor selection process for the development of E- Governance Modules shall be initiated shortly. |
| Accounting | 2007-08 | In progress with delay | Tally is being used as standalone accounting software. At state level, Vendor selection process for the development of E-Governance Modules such as Finance and |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| | | | Accounting Software (FAS) and other modules shall be initiated shortly. The integration of JALKAL accounts with ANN is under process and subsequently Jalkal accounting system will be integrated with ANN accounting system |
| Water Supply and Other Utilities | 2007-08 | In Progress | Public can download new water/sewage connection forms through website:- www.allahabadjs.in . All data is computerized. Bill & receipt is being issued through application software. All zones are connected for billing & collection system. However online payment for citizens is not yet enabled. |
| Birth & Death Registration | | Completed | The module is implemented since Nov-2006. Online registration can be done however Online issuance of Birth& Death certificate requires system of digital signature. The system is not placed presently. Digitisation of archives for birth and death registration has been completed. |
| Citizens' Grievance Monitoring | | Completed | The module is started from 23 May 2010. Web & window based application is being used. Currently window registration or sms based complaints are lodged which are directly fed into the module after generating a complaint id. |
| Personnel Management System | 2008-09 | In progress with delay | Employee payroll system is implemented. Employee salary, pension, PF, Bonus is being maintained by this software. service book information system has also been developed and all data has been entered. |
| Procurement and Monitoring of Projects | - | | |
| E – Procurement | - | In progress | Vendors can only download tender documents from the website Full e-tendering process not available as it requires state level initiatives. |
| Project/Award Works | - | In Progress | Monitoring of projects is being done by PMES System of MoUD for JNNURM projects only. This software is developed by UP Electronics and monitoring is done by computerized database. |
| Building Plan Approval | 2011-12 | In progress | Building plan approvals are provided manually by Allahabad Development Authority (ADA). |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|----------------|--|
| | | | Presently no such system. This shall be developed at state level. The software for issuance of NOC has been developed by UP electronics and computerized NOC is issued. |
| Health Programmes | To be decided | Not initiated | |
| <ul style="list-style-type: none"> Licenses | - | In progress | Food & Trades Licenses are issued manually. Data entry done on excel. |
| <ul style="list-style-type: none"> Solid Waste Management | - | In progress | AWP (SPML) is working for door to door collection under supervision of AMC and provides MIS as and when required. Efforts are being made for online systems. Billing has been computerised. |
| Any other mode | - | | Website developed and is operational. Updated periodically www.allahabadnagarnigam.in . All five Zonal Offices are in progress for computerized collection centres where computerized receipts are issued and the posting of the amount deposited is done automatically by the computers in centralized manner. Cyber Citizen points are also operational and providing various e-services. |

6.1.1 Issues in implementation of the reform

There has been fair progress with regard to implementation of standalone software modules such as Property tax module, Birth & Death module and Personnel Information System etc. Initiative has been undertaken for development of Citizen Grievance Module. E procurement module does not offer end to end solution including online bid submission. Following are the key issues in implementation:

- Integration of standalone modules with state level framework will be a major challenge
- Many obligatory standalone modules such as SWM, Finance and Accounting Software (FAS) Project management system and utility software for water supply is yet to be implemented.
- ANN is facing adverse capacity constraints in monitoring service levels for the E- Governance modules which are already implemented. Further only one contractual position of IT Coordinator exist in ANN who is responsible for E- Governance implementation and its operations. His responsibilities also include resolving hardware related and networking related issues. However such issues can be resolved by outsourcing or recruiting network/hardware engineer.
- Recent transfer of Jal Sansthan into the ANN leading to non-development of Water supply& utility modules
- Building plan approval system is yet to be developed. Further development of Building Plan approval system is also required as a state level initiative as it falls under the purview of District Development Authority for each mission cities.
- Absence of platform at state level showcasing success stories by ULBs and also absence of mechanism to replicate the best practices in other ULBs.



- Institutional mechanism for Handholding and training is required. Further, it appears that issues of installing appropriate institutional mechanisms for hand holding, training and inculcation of skills within the ULB for E Governance have not been fully resolved. It must be realised that unless the mechanisms for such catalytic action are institutionalised, E Governance may see many hurdles.

6.1.2 Action required by state government

- Evolve a mechanism or action plan for data migration to E-Governance modules to be developed.
- Create a mechanism for coordination for different agencies to streamline the work flow.
- Create a post of IT Cadres which can provide handholding support in hardware, networking and E- Governance operation related issues. Presently contractual post of IT personnel is created in PIU.
- Set up a guideline for maintaining service levels for E- Governance. Further set up monitoring mechanism ensuring achievement of service levels.
- Address all the capacity constrains at ULB level by organizing the visits in order to understand the approach and challenges faced by the ULBs during the implementation stage.
- Create an E-Governance cell for showcasing the best practices implemented by the ULBs. Further, these best practices could be replicated in other ULBs.

6.1.3 Action required by ULB if any

- Explore the best practices by sending the staff to other cities for education trainings.
- Explore possible PPP route for E- Governance operations.
- The ULB should liaise with the state government for creation of permanent post of IT coordinator and implementation of the reform.
- Set a guideline for monitoring of service levels of each E- Governance system.
- The primary objectives have been very well accomplished, now ULB can start working on achieving the secondary objective of actual and effective realization of e-governance by increasing the public participation through this mode. Promotion and branding of improved services would encourage people to use them efficiently which would eventually induce trust in the ULB.

6.2 L2 – Municipal Accounting

| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| Resolution by Government expressing commitment to establish modern municipal accounting system | 2007-08 | Completed | GoUP has entered into a tripartite agreement after the passing the resolution to establish modern municipal accounting system. |
| Appointment of consultants for preparing municipal financial accounting manual. | 2007-08 | Completed | Integrated Management Group (IMG) has been appointed at State level. |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| Completion and adoption of Municipal Financial Accounting Manual, in line with NMAM or otherwise | 2007-08 | In progress with delay | Municipal financial accounting manual is pending approval at the state level. |
| GO/Legislation/Modification of Municipal Finance Rules for migrating to double-entry accounting system | 2007-08 | In progress with delay | GONo. 4094/9-5-2008-119/2007 dated 2 May 2008 & GO No. 1552/9-5-2011-119/2007 dated 18 March 2011 issued indicating a cutoff date for full migration to Accrual based double entry system from 01.04.2011 along with existing single entry system. Provisions of the UPMAM will be incorporated in Municipal Account Code 1980 & Nagar Mahapalika Niyamavali 1958 and will be merged into common UP Municipal Rules 2011 which will then be submitted for approval by the state government |
| Training of personnel for new Accounting System | 2007-08 | Completed | Two personnel from accounts are working with the FLC and getting on-the-job training. Separate trainings are also organized |
| Appointment of field-level consultant | 2007-08 | Completed | FLC has been appointed - M/S Ramesh Chandra Chartered Accountants. |
| Notification of cut-off date for migration | 2007-08 | | Notified and total migration from 1-4-2009 as per Government order. However, single entry and DEAS accounts are maintained simultaneously. |
| Re-engineering of business processes to aligning with new system | 2007-08 | In progress with delay | No specific information available. ANN reported that with deployment of software business processes are being re-engineered |
| Completion of registers and valuation of assets and liabilities. | 2007-08 | In progress with delay | Registers have been compiled and are being updated from time to time. Valuation is under progress. |
| Drawing provisional opening balance sheet | 2007-08 | Completed | ANN reported that Opening Balance Sheet as on 01.04.2006 has been prepared, audited and adopted. |
| Adoption of Provisional opening balance sheet | 2007-08 | Completed | Opening balance sheet as on 01/04/2006 is audited & adopted. The balance sheets of 2007-08 and 2008-09 has been audited. 2009-10 and 2010-11 provisional has been made and published on website. |
| Finalization of opening balance sheet | 2007-08 | Completed | OBS has been finalized. |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| Full migration to double entry accounting system | 2008-09 | In progress with delay | Fully migrated to DEAS w.e.f. 01.04.2011 as per Go No 1552/9-5-2011-119/2007 dated 18 March 2011. Cash based system is also being maintained simultaneously as per DLB instructions |
| Production of financial of statements as per new system | 2008-09 | Completed | 2009-10, 2010-11 and 2011-12 audited balance sheets has been published on website. |
| Creation of mechanism for external audit | | Completed | The external audit system already exists in form of CAG & UP Local Fund Audit dept. Simultaneously the external audit of balance sheets is being audited by independent CA firms. |
| Commencement of External Audit of Financial Statements | | Completed | The external audit of opening balance sheet as on 1.04.2006 , 2006-07, 2007-08 and 2008-09, 2009-10, 2010-11 and 2011-12 have been audited by M/s Vinay Krishna. |
| Commencement of preparation of Outcome Budgets | | Not Initiated | It will be commenced by the budget of F.Y.2013-14. |
| Instituting of internal audit/control mechanism | | Completed | Internal audit /control mechanism is already exists as Mukhya Nagar Lekha Parishak is performing internal Audit of every transaction on regular basis. |
| Undertaking of credit rating. | 2009-10 | | B+ by CARE Ratings for year 2008-2009 |
| Integration with Procurement system | 2009-10 | In progress with delay | Integrated Mechanism will be developed after implementation of State level Software |
| Integration with Works contracts management | | | |
| Integration with Payroll and wage payments | | | |
| Integration with Store & inventory management | | | |
| Integration with User charges billing systems | | | |
| Integration with Tax collection system | | | |



6.2.1 Issues in implementation of the reform

- Outcome budgeting is yet to be initiated.
- Training and capacity building of accounting staff for developing a comfort level with online systems and DEAS is needed for a easy shift after the FAS is provided.

6.2.2 Action required by state government

- Accounting Manual prepared in line with the National Accounting Manual should be approved by the State Government for its mandatory application at all the ULBs across the State of Uttar Pradesh.
- Amendments to the Municipal Act may be initiated at the State level in order to incorporate therein necessary mandatory provisions for introducing external audit of Financial Statements of all the ULBs by the office of the AG, Uttar Pradesh
- The timeline for every aspect of reforms should be defined at the State level and effective monitoring should be in place for timely achievement of target date.
- The ULBs lack necessary knowledge in implementing the outcome budgetary system. This system envisages a multi-year budget system considering the priorities set by the stakeholders. It is a performance measurement tool that helps in better service delivery; decision-making; evaluation of programme performance and results; communication of programme goals; and improvement in programme effectiveness. State-level initiatives should be taken to conduct a hand-holding exercise for introduction of outcome budget at different ULBs

6.3 L3 – Property Tax

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---|--|
| Property Tax | | | |
| Enhancing Coverage to all properties | - | Completed | CE Infosystems completed GIS survey in April 2010. Total of 33000 properties have increased after the GIS survey. ANN's tax administration assesses almost all properties except 22540 exempted properties. Currently there is 100% coverage |
| Elimination of exemptions | 2007-08 | Completed as per timeline | Amendment has been introduced in the legislation by GoUP in 2006. |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Setting up a team to draft legislation | 2006-07 | Completed in advance for Residential Properties | The amendment for Self-Assessment for Residential Property has been incorporated in the Nagar Nigam Act, 1959 & The Uttar Pradesh Municipal Corporation (Property Tax) (Second Amendment) Rules, 2009 have been framed. Further amendment for Self-Assessment for Commercial Property |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Stakeholder Consultations | 2006-07 | In progress for commercial properties at state level. | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – | 2006-07 | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|--------------------------------------|---|
| Preparation of Draft Legislation | | | has been introduced. Presently rules are being framed. |
| <ul style="list-style-type: none"> Self Assessment System Migration – Enactment and Notification of Legislation | 2006-07 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Implementation by Municipalities | 2008-09 | | <p>Self-assessment taxation system for the residential properties was implemented in 2002.</p> <p>Amendment for Self-Assessment for Commercial Property has been introduced. Presently rules are being framed. Self assessment systems for commercial and industrial buildings have been introduced subsequently.</p> |
| Setting Up non-discretionary method for PT | - | | Unit area method adopted in 2002 for calculation of property tax for residential buildings. |
| <ul style="list-style-type: none"> GIS - Selection of Consultant | 2007-08 | | M/s CE Info system has been appointed as GIS consultant |
| <ul style="list-style-type: none"> GIS – Preparation of digital maps | 2008-09 | Completed with delay | <p>According to the ULB, the consultant has prepared the GIS map of the city and completed GIS Survey. Further verification work is also completed and GIS Survey database have been integrated with the property tax module. 4000 properties were not in the tax net when GIS was done. All of these properties have been covered now.</p> |
| <ul style="list-style-type: none"> GIS – Administration of PT using GIS | 2008-09 | | |
| Next/Anticipated revision of guidance values | every 2 yrs | | |
| <ul style="list-style-type: none"> Deadline for adoption of guidance values | Done | Completed as per timeline | <p>Guidance Value was revised in 2010, approx. 8 years after the introduction of Unit Area Method as against provisions of two years owing public resistance.</p> <p>ANN reported Next/Anticipated revision of guidance values is due in 2012-13. However public and political resistance for upward revision of guidance values would be an area of concern.</p> |
| Taxpayer Education Programme – Preparation of Ready Reckoner | Done | Completed for residential properties | Ready Reckoner was prepared and circulated at a price of Rs 10. |
| Taxpayer Education Programme – Camps | - | In progress as per timeline | Awareness programs are organized at city level by nukkadnataks, Daily News |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------------------------|---------------------------|---|
| For Doubts & Form Filling | | | Papers, Pamphlets and also by Nagar Nigam personnel. |
| Taxpayer Education Programme – Website on PT issues/FAQs | 2007-08 | Completed as per timeline | FAQs have been put up on ANN's website www.allahabadnagarnigam.in . |
| Establishing of Dispute Resolution Mechanism | - | | Appeals have been made in small causes court. No formal mechanism. |
| Rewarding Honest Tax Payer | - | | 10% Rebate is being given for punctual property tax payer. |
| Achievement of defined % coverage ratio in PT* | 2009-10 | | No. of assessed properties in the city are 184244. With the exemption of exempted properties, ANN claimed that all properties have been assessed. Coverage ratio thus reported is 100%. Manual survey by tax staff on a monthly basis is conducted, specifically for properties having area below 100 sq meter for which building permission is not required and no records are available with ADA. |
| Achievement of defined % collection ratio in PT* | 2005-06 already achieved 94.12% | Completed | In 2011-12 and 2010-11 the collection efficiency is 90% on total demand. Achieved a collection efficiency of 95% for FY 2012-13. As on Aug 2013, ANN has collected Rs. 11.65 crores as against the total demand of Rs. 33.00 crores. |
| Improving arrear collection ($\leq 10\%$)* | 2011-12 | | For 2012-13 arrear collection efficiency is 81%. Arrears as percentage of current demand were at 6.2% for 2012-13. |

6.3.1 Issues in implementation of the reform

- Self assessment for commercial buildings is yet to be implemented.
- Arrear collection efficiency needs to be further improved

6.3.2 Action required by state government

- Speed up the work of framing of rules for self assessment system for commercial properties and issue the guideline accordingly.
- Commence political consensus for revision in guidance value for every two years. This would help in lower the political reluctance in regular guidance value revision.
- Formulate a coordination mechanism between ANN and ADA.



6.3.3 Action required by ULB if any

- Prepare ANN level action plan for implementation of self assessment system for commercial properties.
- Commence public awareness by organising city level workshops for forming public consensus for regular revision in guidance value. This would help in lower the public resistance.
- Educate councillors about benefits of regular revision of guidance values. This will help in forming the political consensus at ANN level.
- Step up measures to further reduce arrears and improve collection efficiency.

6.4 L3 – User Charges

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| User charges | | | |
| Formulate and adopt a policy on User Charges including targeting of subsidies, full realization of O&M costs | | In progress with delay | <p>ULBs have been empowered to levy and collect the User Charges for civic services such as Water Supply, SWM, Sewer etc through the Amendment in UP Municipal Act, 1916 in September 2009.</p> <p>No volumetric tariff at present. However, GoUP issued GO for implementation of water meters in UIG Cities. Presently there is no such effective policy of GoUP.</p> <p>The ANN Board has decided on a policy for user charge for O&M cost recovery. A committee of five member of ANN, headed by Mayor has been formed to decide on UC. The ULB has introduced user charges on door to door collection of Solid Waste Management (SWM) from Aug 2010.</p> |
| Setting up of body for recommending UC structure | 2007-08 | No initiative taken | <p>No such body was constituted at state level. ANN has formed a committee of 5 members headed by the Mayor to formulate UC structures.</p> <p>Metering to be done under JNNURM post which user charges will be levied for water supply</p> <p>ANN has decided user charges on monthly basis for SWM for residential and commercial properties.</p> |
| Establishment of Proper Accounting System | | | <p>A clear integrated accounting mechanism for all infrastructure services has not yet been established.</p> <p>However for the SWM project, under the PPP agreement, user charges are deposited in separate ESCROW accounts which is being operated & accounted by Nagar Nigam. The tipping fee of the concessionaire is paid by the ANN.</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|---|
| <ul style="list-style-type: none"> ▪ Solid Waste Management | 2009-10 | In progress | <p>ANN has signed PPP agreement for SWM with SPML. Presently this project is being developed.</p> <p>The door to door waste collection and user charge collection, transportation of waste and treatment is a responsibility of Concessionaire. Only street sweeping is a responsibility of ANN.</p> <p>ANN makes payment of tipping fees to the concessionaire. The accounts of the tipping fees paid are maintained separately through the ESCROW account.</p> |
| <ul style="list-style-type: none"> ▪ Public transport | - | - | Not Applicable |
| <ul style="list-style-type: none"> ▪ Water Supply and Sewerage | - | | O&M cost of water supply and sewer are calculated at Jalkal department |
| Achieving new service standards | | | |
| <ul style="list-style-type: none"> ▪ Water supply – LPCD ▪ Waste supply – Hours of supply | 2009-10 | In progress with delay | <p>Present Water Supply is 170 LPCD. Presently 151496 water supply connections exist. 403 new connections have been given during FY 2013-14;</p> <p>Further ANN has installed 7010 public taps and 11790 hand pumps. Overall coverage is estimated around 81%.</p> <p>Present average duration of water supply is 10 hours.</p> <p>Estimated UFW and NRW was reported 30% and 40% respectively during 2009-10. 7409 leakages had been repaired till date and 2873 illegal connections have been regularized.</p> <p>Also a study to identify and regularize illegal connections has been envisaged and tender has been invited for door to door survey.</p> <p>Further Bulk meters at source and distribution points are yet to be installed because of which transmission and distribution losses cannot be clearly estimated to reduce UFW.</p> <p>Fair progress on improvement of Service Standards for water supply is yet to be made; It was indicated that Service Standards shall be achieved upon implementation of water supply projects which are being implemented under JNNURM.</p> |
| <ul style="list-style-type: none"> ▪ Water supply – Non-revenue water | | | |
| <ul style="list-style-type: none"> ▪ Sewerage - % of population covered (65%) | 2009-10 | | Presently 40% of population of ANN has been covered under the Sewerage Network. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| <ul style="list-style-type: none"> Sewerage - % of sewerage | - | | It was indicated that Service Standards shall be achieved upon implementation of sewerage projects which are being implemented under JNNURM. |
| <ul style="list-style-type: none"> Solid Waste Management | 2009-10 | In Progress with delay | <p>SWM project is being implemented on PPP basis and in advance stage of completion. The door to door waste and user charge collection, transportation of waste and treatment is a responsibility of Concessionaire. Only street sweeping is a responsibility of ANN.</p> <p>ANN reported 100% coverage of households with respect to SWM collection.</p> |
| <ul style="list-style-type: none"> Public transport | - | - | Not applicable. |
| Achieving new UC structure | | | |
| <ul style="list-style-type: none"> Water Supply | 2009-10 | Not Initiated | <p>Water supply network and sewer network is implemented by Jal Nigam. Metering shall be done by it post which volumetric tariff will be levied.</p> <p>Presently flat water supply tariff has been calculated and charged based on following methods and whichever is higher from followings is applicable.</p> <p>Flat water supply charges and Sewer charges based on ferrule size and different slabs of ARV for residential and commercial property.</p> <p>Water tax 12.5% of ARV.</p> <p>This is based on Notification issued in 1999 by GoUP. User charges have been increased 5% at regular interval of three years. Sewer tax is 4% of ARV</p> <p>Owing to such method water tariff of old, properties have been reduced irrespective of water use.</p> <p>This is based on of Notification issued in 1999 by GoUP. User charges have been increased 5% at regular internal of three years.</p> |
| <ul style="list-style-type: none"> Sewerage | 2011-12 | | |
| <ul style="list-style-type: none"> Solid waste management | - | In progress | <p>ANN has decided user charges on monthly basis for SWM for residential and commercial properties.</p> <p>It has been applied from Aug 2010.</p> <p>Residential properties :</p> <p>BPL family: Rs 10, EWS family : Rs 25, Residential properties : Rs 50</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---|------------------------|---|
| | | | <p>It has also decided user charges for commercial properties based on following criteria.</p> <p>Shops : (Vegetable shop- Rs 150, Bakery- Rs 200, small shop- Rs 20, Medium shop – Rs 50, Showroom- Rs 150, small mall- Rs 500, Multi-storeyed mall- Rs 1000, Shop selling non- veg. items- Rs 400).</p> <p>Hotels / Guest house – (Up to 20 rooms- Rs 200, 21 to 40 rooms-Rs 300, More than 40 rooms Rs 400).</p> <p>Charitable trust: Rs 200, Non charitable trust : Rs 400.</p> <p>Restaurant: Rs 150 to 1000.</p> <p>Hospital – Varies between Rs 300 to Rs 1500 based on of beds</p> <p>Clinic/ Laboratory: Rs 200</p> <p>Dharmashala, hostel – based on No of rooms</p> <p>Cinema hall – Rs 500</p> <p>School, Coaching institute – Varies between Rs 500 to Rs 1000 based no. of student.</p> <p>Offices: Varies between Rs 100 to Rs 500.</p> <p>The above rates have been decided based on feasibility calculation and applicable from 1st Aug 2010.</p> |
| <ul style="list-style-type: none"> Public transport | Not Applicable | | Not Applicable |
| Achieving Volume based tariff & 100% metering | 2007-08 - 25% 2008-09- 50% 2009-10- 75% 2010-11 - 100% | Not Initiated | <p>Volumetric tariffs yet to be levied.</p> <p>40% of NRW and 30% of UFW was reported during 2009-10. 6741 leakages had been repaired till date and 2346 illegal connections have been regularized.</p> <p>Also a study to identify and regularize illegal connections has been envisaged and tender has been invited for door to door survey.</p> <p>Service standards shall be improved upon implementation of water supply and sewerage project.</p> |
| Max. Target for non-revenue water | 2009-10 | In progress with delay | |
| Max. Target for Unaccounted water | 2009-10 | | |
| Study on quantification & impact of subsidies | 2011-12 | In progress with delay | <p>Study on quantification & impact of subsidies will be initiated after the complete metering at source & consumer-end for which tender has been invited.</p> |
| Tabling & Approval of study on subsidies by Municipality | 2008-09 | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--------------|------------------------|---|
| Achieving of Full Recovery in OM from UC-WS* | 2009-10-100% | In progress with delay | During the 2012-13, collection was reported Rs 37.33crores as against O&M cost of 53.74 crores (including electricity charges). This indicates 69% of cost recovery. |
| Achieving of Full Recovery in OM from UC-Sewerage* | 2009-10-95% | | |
| Achieving of Full Recovery in OM from UC-SWM* | - | | Concession Agreement for development of SWM on PPP has been signed. ANN claims that user charges structure has been designed to ensure 100% cost recovery from residential, commercial and government properties. However no prior feasibility study has been conducted. The O&M of fund (tipping fees) exceeding the user charges will be met through revenue of ULB. |
| Achieving of Full Recovery in OM from UC-Public Transport | - | NA | Not applicable |

6.4.1 Issues in implementation of the reform

- Bulk meters at source and distribution points are yet to be installed reflecting inadequate measurement system for UFW/NRW. This indicates that steps are yet to be taken forward for improving the service delivery mechanism in water supply such as source augmentation, treatment facilities, enhancing storage capacity, water audits, water metering and NRW etc.
- Steps are yet to be taken forward for improving the service delivery mechanism in sewerage such as treatment facilities and network coverage.
- Coordination of functions relating to water supply and sewerage between ANN and Jalkal is impeding faster implementation development of the projects for water supply and sewerage network affecting coverage and quality. Thus, any initiation on user charges against such services becomes difficult.

6.4.2 Action required by state government

- Form an inter-governmental mechanism for coordination and review of water supply projects. It is required as multiple agencies involved in expedition User Charges reform.
- Impart the trainings on skills development for better service delivery. Such trainings are service level benchmarking, water auditing and NRW.
- Constitute a committee for effective implementation of metering across the state.
- Initiate consultative approach to form political consensus for new tariff structure for municipal services.

6.4.3 Action required by ULB if any

- Appoint a consultant for preparation of approach and methodology for carrying out subsidies studies at ULB level for different municipal services and prepare a tariff rationalisation plan for



different services considering ability to pay of different user's group, inflationary trends, requirement of cross subsidies and suitable indexation.

- Install meters at production source and bulk users with immediate effect to scientifically calculate the UFW in the system.
- Establish a mechanism for coordination and integration with Jalkal to ensure faster implementation of ongoing projects, device a metering action plan and develop volumetric tariff structure and IEC for mitigating user charge resistance.
- Impart trainings to engineers on service level benchmarking, sector knowledge and new technology available in the market for better service delivery.

6.5 L3 – Internal Earmarking of Funds for Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|----------------|----------------|--|
| Internal earmarking of funds for services to urban poor | | | |
| Reform in Accounting & Budgeting Codes to identify income and expenditure for poor | 2007-08 | | Separate budget code has been given for services to urban poor. |
| Creation of separate Fund in Accounting System for Services Of Poor | 2009-10 | | Budgetary heads have been created. Head No. 4-11 is for revenue expenditure & Head No. 4-16 is for capital expenditure. |
| Amendments in Accounting Rules for Services Of Poor | 2007-08 | | In F.Y. 2012-13 budgetary allowance for head no. 4-11 is 4.48 crores; while for head no. 4-16 is 5.87 crores |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total Revenue Income. | 2009-10 - 20% | | 25 % of municipal development budget of 2011-12 is allocated for the services of urban poor. |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total Own Source of Revenue Income | 2009-10 - 10%, | | 25 % of municipal development budget of 2011-12 is allocated for the services of urban poor. |
| Targeted capital expenditure on delivery of services to poor per annum, expressed as % of Total Capital Expenditure | 2009-10 - 15%, | In Progress | 25 % of Development Budget is allocated for facilities like roads and street lighting etc. |



6.5.1 Issues in implementation of the reform

ANN is initiating steps in the direction of more concrete earmarking of funds for poor. However clarity needs to be developed on how to implement this reform with regards to (i) allocation of fund has to be done from total own source revenues; (ii) how to allocate planned expenditure from the fund and avoid adhoc usage of funds. (iii) monitoring of actual fund utilisation viz-a-viz budgetary allowances.

6.5.2 Action required by state government

- Expedite the approval of state level Accounting Manual at the earliest.
- Formulate a guideline for governing the Fund, Operating the Fund, including rules for transfer of resources into the Fund for ‘Services to Poor’
- The State Government needs to keep constant vigil on the compliance of such reforms. The State Government could also conduct site inspections to observe the progress of reform as per the JnNURM standards

6.5.3 Action required by ULB if any

- Target the revenue expenditure as per the milestone specified in MOA

6.6 L3 – Basic Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| Basic services to urban poor | | | |
| Formulation and adoption of comprehensive policy and services to poor | - | In progress with delay | At state level GoUP has launched several schemes for providing basic services to urban poor which include security of tenure and improved housing at affordable prices. Schemes being implemented are Sarv Jan Hitay Gareeb Avas (Slum Area) Malikana Haq Yojna (Under this scheme 60 avas patta have been allotted for development) , Manywar Shri Kanshi Ram Ji Shahri Avas Yojna (Under this schemed 1500 colonies shall be developed). District Urban Development Authority (DUDA) and Allahabad Development Authority (ADA) are responsible for implementation of such schemes. Further, 1500 houses have been constructed and allotted by DUDA. |
| Survey of Poor HH | 2007-08 | | |
| Database creation for targeting HH level schemes | 2007-08 | No initiative taken | H/H level survey is done by DUDA Allahabad. Survey findings are in process of enlisting. Database creation and |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|---------------------------------------|--|---|
| Prioritisation of Poor Settlements by participation method | 2007-08 | | prioritization will be done after the survey findings are verified and finalized |
| Max. Achievement of HH level piped WS* | 2009-10-90% 2010-11 -100% | In Progress with delay | <p>Specific Service standards pertaining to Urban Poor area is not available. However city level information for service standards for different municipal services are as follows:</p> <p>Duration of average water supply is 10 hours in the city area.</p> <p>Total of 1273 public taps, 2356no of hand pumps, 228 tube wells have been installed. ANN has 22 water tankers.</p> <p>ANN also mentioned that service standards shall be improved upon implementation of water supply and sewerage projects under JNNURM which are under progress presently.</p> <p>2536 no of hand pumps, 228 tube wells are in working position.</p> |
| Max. Achievement of Public Taps (defined hours)* | 2009-10-90% | | |
| Max. Achievement of Public Taps (def. dist from HH)* | 2009-10-90% 2010-11-100% | | |
| Max. Achievement of Hand-pumps/Tube-wells* | - | | |
| Max. Achievement of Water Tanker Supply* | - | | |
| Max. Achievement of HH level toilets* | 2009-10-60%, 2010-11- 70% 2011-12-80% | | |
| Max. Achievement of defined disposal sys for HH toilets* | 2009-10-60%, 2010-11- 70% 2011-12-80% | DUDA has constructed 5252 individual HH level toilets. | |
| Max. Achievement of Comm. Toilet Seats* (to be used for floating population) | - | In progress with delay | <p>5252 Sanitation flush has been developed by DUDA and 120 nos. of Sulabh Complex are already operational.</p> <p>Further development of 143 community toilets have been proposed for slum population under the NGRBA scheme.</p> |
| Max. Achievement of Avg. dist of Community Toilets from HH* (to be used for floating population) | - | No initiative taken | |
| Max. Achievement of def. disposal Sys for Community Toilets*(to be used for floating population) | - | | |
| Max. Achievement of Underprivileged Facilities in Community Toilets. (| - | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------------------------|-------------------------------|--|
| to be used for floating population) | | | |
| Max. Achievement in Pucca Housing (75% in 2009-10) | 2009-10 - 10%, 2010-11 - 10 % | In progress with delay | 1500 dwelling units have been constructed and allotted to beneficiaries. However 511 dwelling units are under construction. |
| Max. Achievement in Night Shelters for homeless | 2009-10 - 10%, | | 11 permanent and 24 temporary night shelters have been operational. 6 permanent shelter homes are under construction. |
| Def. Achievement in Street Sweeping | 2009-10 | Completed as per the timeline | SPML solid waste management firm is handling the city sanitation work, Now the Nigam's sweeper would perform in continuity street sweeping. |
| Def. Achievement in Waste Collection | 2009-10 | | Door to Door solid waste collection has been initiated by SPML. |
| Def. Achievement in lifting waste from Community Bins | 2009-10 | | Twice a day |
| Def. Achievement in HH access to Pucca Roads | 2011-12 | In progress with delay | Total of 60 different Road development work performed during the year of 2009 & 2010 and road development is a part of slum development plan which has been considered under community development fund. |
| Def. Achievement in Cluster access to Pucca Roads | 2011-12 | | No other information is available. |
| Def. Achievement in HH access to covered SW drains | 2011-12 | In progress | Present coverage of SW drain is 60% in the ANN's municipal area. DPR has been submitted to GOI under JNNURM. |
| Def. Achievement in Street illumination | 2011-12 | | Approximately 90% area has been covered with street lights. |
| Def. Achievement in Anganwadi/Crèche | 2011-12 | In progress with delay | Total 538 Anganwadi centres are being implemented by District ICDS department. |
| Def. Achievement in Community Halls | Year 2011 | | No Information available |
| Def. Achievement in Preventive Health Care (advisory) | Year 2011 | In Progress | 12 Nos. of D-type Health post are running in the city and five other hospitals have been situated in the City. Above health care facilities are situated at a distance of 5 km from slum settlements. |
| Def. Achievement in Curative HealthCare – reliability | - | | |
| Def. Achievement in Curative HealthCare – distance | - | | |
| Def. Achievement in Pri.Edu – Enrolment | Year 2011 | | Enrolment rate is 99.7% whereas dropout rate is 8%. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| Def. Achievement in Pri.Edu – Drop Out | - | | |
| Skill Development and Micro Credit | - | In Progress | <p>Skill development trainings have been imparted to slum dwellers in different trades such as computer literacy, motor binding, handicraft tailoring etc.</p> <p>Several groups have been formed for micro credit scheme by the NABARD.</p> |

6.6.1 Issues in implementation of the reform

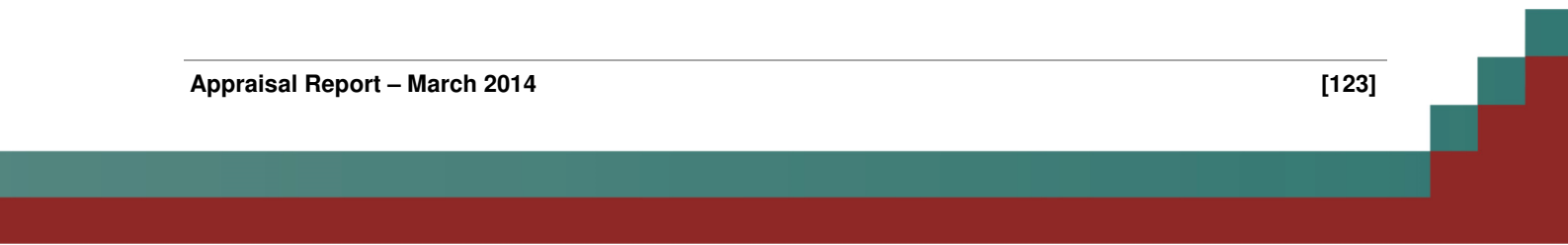
- Absence of guidelines for achievement of service standards to urban poor areas.
- Multiple agencies involved in providing services to urban poor area, for instance DUDA is providing mainly pucca housings, imparting skill development trainings and availing micro credits however ANN is providing water supply, roads, community toilets, street lights and SWM services. Education (ICDS for Primary education) and Health department is responsible for providing primary education and health services respectively. Thus coordination among all agencies is required in order to improve service standards. Presently there is an absence of such coordination.

6.6.2 Action required by state government

- Form a department wise service level guideline and action plan towards providing services to Urban Poor and communicate the same with all concerned Government department.
- State Government could help ULB in formulating the guideline for achieving service standard for services to Urban Poor. It would help in coordinating efforts on this front.
- Set up supervision and monitoring mechanism which ensures achievement of service standards committed under this reform.
- Form an inter-governmental mechanism for coordination and review of projects undertaken by different Government agencies for services to Urban Poor.
- Set up supervision and monitoring mechanism for achieving service standards in services for the urban poor.
- Support the project development process initiated by DUDA through preparation and finalization of DPRs, issuance of tenders and award of contracts as soon as possible.

6.6.3 Action required by ULB if any

- Coordinate with DUDA in identifying the needs of urban poor and pursue it in achieving the services standards falling under its purview.
- Prepare a policy addressing the comprehensive development of Urban Poor and do constant follow up with different Government agencies involved in providing different services to Urban Poor.
- Liaise with DUDA for arriving at findings of HH survey which help in identifying the infrastructure gaps in slums and create a database indicating status of service standards to Urban Poor.
- Initiate project development process through preparation and finalization of DPRs, issuance of tenders and award of contracts as soon as possible and request for handholding support to the State Government for execution of the such projects.





7. Appraisal of ULB Level Reforms – Varanasi

7.1 L1 – E-Governance

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------------|--|
| E – Governance | | | |
| Appointment of State-level Technology Consultant as State Technology Advisor | 2006-07 | Completed with delay | <p>Initially Price Waterhouse Coopers (PWC) has done “as-is” survey. Subsequently IIT Kanpur was appointed as an E- Governance consultant and submitted the ULB level DPR of each UIG City for E-Governance.</p> <p>MoUD, GOI made changes in directives and issued new guidelines in Dec 2009 and directed each state to prepare the state level uniform E-Governance architecture vide its letter numbered No: K-14012/119/09-NURM I.</p> <p>With regards to this , UD department of GoUP appointed IIT Kanpur as State Level Technology Consultant in 2009 and submitted State Level DPR to MoUD, GOI in August 2010. This DPR has been approved recently in February 2011.</p> <p>Further E- Governance DPR of Varanasi Nagar Nigam (VNN) is being modified by IIT Kanpur in line with the approved state level DPR.</p> <p>Vendor selection procedure shall be initiated shortly at state level for development of different E- Governance modules as per the approved DPR.</p> |
| Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP | 2007-08 | Completed with delay | Preparation of MEDD is a part of state level Common DPR which has been approved recently. |
| Assessment of MEDD against National E-Governance Standards | 2007-08 | Completed with delay | MEDD is as per the National E-Governance standards and Part of state level DPR which has been approved recently. |
| Finalisation of Municipal E-Governance implementation action plan for the city | 2008-09 | Completed with delay | Prepared and part of the state level DPR submitted to the MoUD, GOI. Further VNN have also prepared action plans as part of VNN level DPR. |
| Undertaking Business Process Reengineering (BPR) | 2008-09 | Completed with delay | It is part of DPR for the state level E-Governance solution. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|---|
| Prior to migration to E-Governance systems | | | VNN Level E-Governance DPR which has been prepared and submitted to GOI through SLNA on 21 Nov 2011 has provision of action plan for capacity building and training for E-governance modules |
| Appointment of Software consultant(s) / agency for development, deployment and training | 2008-09 | In progress | VNN implemented standalone E-Governance modules. Some of the Modules such as employee payroll, Public grievance have been developed through software engineer recruited by VNN. Few modules such as property tax software, linking of payment gateways to website for online payment etc have been implemented by UPTRON. Further Personnel Information System, Online Birth & Death certification system shall be developed by UPTRON. Website was developed by Mascot Software solutions and Tally is being used as Accounting software. |
| Exploring PPP option for different E-Governance services | 2009-10 | In progress with delay | Provisions have been made in state level approved DPR as well as VNN Level E-Governance DPR. VNN has also established a PPP cell. |
| Implementation of E-Governance modules | | In progress with delay | Stand alone Software modules are used for payroll, property tax collection, birth & death registration and citizen grievance monitoring. Tally is being used as accounting software. VNN has signed MoU with UPTRON for development of Personnel Information System, Online Birth & Death certification system. |
| <ul style="list-style-type: none"> ▪ Property tax | 2008-09 | In progress with delay | <p>Online tax assessment system of Form-A for residential buildings is available on VNN website.</p> <p>Computerized bill generation and receipt can be through the Property tax software. Property tax software is linked with the VNN's website. User can view outstanding due and also make online payment through the website. VNN has introduced the use of Spot billing machine for collection.</p> <p>VNN level DPR has provision of Integration plan of property tax software with the accounting software.</p> <p>GIS Database is integrated with the Property tax system. Further Property tax database has been integrated with five collection centres. VNN has introduced spot billing machines.</p> |
| <ul style="list-style-type: none"> ▪ Accounting | 2008-09 | In progress with delay | Tally is being used as standalone accounting software. At state level, Vendor selection process for the development of E- |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|--|
| | | | Governance Modules such as Finance and Accounting Software (FAS) and other modules shall be initiated shortly. |
| <ul style="list-style-type: none"> Water Supply and Other Utilities | 2008-09 | In progress with delay | <p>Only Billing process is computerized. No online payment facility. Tally is being used as accounting software.</p> <p>Provisions have been made in in state level DPR for developing the same</p> |
| <ul style="list-style-type: none"> Birth & Death Registration | 2007-08 | In progress with delay | <p>Registration can be done at Zone level offices and manual through application. Computerized certificates issuance initiated. Online registration is yet to start. However records are uploaded on the VNN's website (www.nnvns.org)</p> <p>Online birth & death registration and certification system is under construction by the NIC</p> |
| <ul style="list-style-type: none"> Citizens' Grievance Monitoring | 2007-08 | Completed with delay | <p>Online registration of the complaint has been stated in May 2010. IVRS based Public Grievance System has also been developed. SMS facility is also being used. The SLNA informed that grievance resolution timeframes have been fixed.</p> |
| <ul style="list-style-type: none"> Personnel Management System | 2008-09 | In progress with delay | <p>PIS system has been developed. However data entry regarding employee details is being done by UPTRON. This system is also integrated with VNN's website.</p> <p>Only salary part is computerised for payroll system.</p> |
| Procurement and Monitoring of Projects | | | |
| <ul style="list-style-type: none"> E – Procurement | No timeline committed | In progress | <p>Vendors can only download tender documents from the VNN's website. State level DPR has provisions for a state-wide E-Tendering system.</p> <p>E-Governance DPR for VNN is approved from SLNA and submitted to GoI for approval on 21/11/2011. Technical & Financial Bid are opened and E-Procurement Service Provider (EPSP) will be selected soon.</p> |
| <ul style="list-style-type: none"> Project/Award Works | No timeline committed | Not Initiated | <p>Monitoring of projects being done by PMES System. MoA, CDP, DPR and Project module entry has been completed.</p> <p>A new software has been developed and is under testing</p> |
| Building Plan Approval | 2011-12 | In progress | <p>Initially Birla Soft appointed at state level which was discontinued later. Presently no such system. Only computerised approval certificates have been issued through the</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|----------------|---|
| | | | Application software. NOC is issued by VNN manually. |
| Health Programmes | | | |
| <ul style="list-style-type: none"> ▪ Licenses | To be decided | In progress | Software is developed and under testing. |
| <ul style="list-style-type: none"> ▪ Solid Waste Management | To be decided | In progress | <p>SWM project is being implemented by A2Z, on a PPP basis which includes updation of records relating to population details, garbage collection details, and location wise assignment of sanitation staff and assigning of routes to SWM vehicles and staff through application software.</p> <p>Database updation of online beat list of sanitation staff of Varanasi Nagar Nigam is under process.</p> |

7.1.1 Issues in implementation of the reform

- Absence of clear roadmap and state level guideline has resulted in limited development of few obligatory standalone modules. The pace of reform now needs to be stepped up with faster data entry and migration to new software along with integration of relevant modules.
- Many obligatory standalone modules such as Trade License, Personnel Information System, SWM and utilities are yet to be implemented.
- Lack of coordination between para-statal governments is further delaying and affecting the reforms implementation such as computerized building plan approvals. This is required as VDA is responsible for building plan approval where as VNN issues NOC. Any building plan can be approved upon issuance of NOC from VNN only. Thus seamless data flow between two Government agencies is the key for Building plan approval system. Further building plan approval system is yet to be developed.
- VNN is facing capacity constraints in monitoring service levels for the E- Governance modules which are already implemented. Further only one contractual position of IT Coordinator exist in VNN who is responsible for E- Governance implementation and its operations. His responsibilities also include resolving hardware related and networking related issues. However such issues can be resolved by outsourcing or recruiting network/hardware engineer.
- Lack of awareness among people leading poor usage of online payment gateways.
- Recent transfer of Jal Sansthan into the VNN leading to non development of Water supply & utility modules
- Efficient mechanisms and action plan need to be developed for data migration to new integrated state level E-Governance system to be developed in line with the statelevel approved DPR.

7.1.2 Action required by state government

- Expedite the development of state wide E- Governance platform.
- Evolve a mechanism or action plan for data migration to E-Governance modules to be developed. Such action plan is required at state level and should be included as part of scope of state level vendor developing state wide E- Governance platform. This should be given priority as all the ULBs will face this issue.



- Expedite the vendor selection process at the earliest for development of E- procurement and Building plan approval system for all ULBs.
- Form a mechanism for consultation and standardisation. It is required as many state government agencies are involved in expediting similar task using the incompatible file formats and application standards. For e.g. roles and responsibility of the development authority involves approval of building plans. However, such plans also required NOC from the VNN. Hence, work flow needs to be discussed among the agencies involved and accordingly such modules would be prepared.
- Set up a guideline for maintaining service levels for E- Governance. Further set up monitoring mechanism ensuring achievement of service levels.
- Organise ULB level training and capacity building program addressing to achievement of targeted service level benchmarks. Especially, encourage cross-learning amongst cities by organising visits and helping in developing an understanding of the key implementation challenges.

7.1.3 Action required by ULB if any

- Prepare VNN level action plan for data migration mechanism.
- Explore the best practices by sending the staff to other cities for education trainings.
- Explore possible PPP route for E- Governance operations.
- Complete the development of Trade License system and SWM
- Conduct the awareness programme for use of the online payment gateways for property tax.

7.2 L2 – Municipal Accounting

| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| Resolution by Government expressing commitment to establish modern municipal accounting system | 2007-08 | Completed | GoUP has entered into a tripartite agreement after the passing the resolution to establish modern municipal accounting system. |
| Appointment of consultants for preparing municipal financial accounting manual. | 2007-08 | Completed | Integrated Management Group (IMG) has prepared the Manual. It is now to be approved at State level |
| Completion and adoption of Municipal Financial Accounting Manual, in line with NMAM or otherwise | 2007-08 | In progress with delay | Municipal financial accounting manual is pending approval at the state level. |
| GO/Legislation/Modification of Municipal Finance Rules for migrating to double-entry accounting system | 2007-08 | | Go No4094/9-5-2008-119/2007 dated 2 May 2008 & Go No 1552/9-5-2011-119/2007 dated 18 March 2011 issued indicating a cutoff date for full migration to Accrual based double entry system from 01.04.2011 along with existing single entry system. Provisions of the UPMAM will be incorporated in Municipal Account Code 1980 & Nagar Mahapalika Niyamavali 1958 and will be merged |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| | | | into common UP Municipal Rules 2011 which will then be submitted for approval by the state government |
| Training of personnel for new Accounting System | 2007-08 | Completed | Trainings are being conducted by CA team. Regular Trainings are being organized by SLNA for the successful implementation of DEAS |
| Appointment of field-level consultant | 2007-08 | Completed | M/s Shiv Kumar Agrawal and Associates, Varanasi has been appointed as FLC |
| Notification of cut-off date for migration | 2007-08 | | Notified and total migration from 1-4-2009 as per Government order. The accounts are maintained at Single & Double Entry Accounting Systems simultaneously as directed by the Govt. except Income recognition. |
| Re-engineering of business processes to aligning with new system | 2007-08 | In progress with delay | Business process is being reengineered as required for aligning with the new system by the use of application software. |
| Completion of registers and valuation of assets and liabilities. | 2007-08 | Completed | Completed |
| Drawing provisional opening balance sheet | 2007-08 | Completed | Opening Balance Sheet as on 1 st April 2006 has been prepared, audited and adopted |
| Adoption of Provisional opening balance sheet | 2007-08 | Completed | OBS has been adopted by the Board |
| Finalization of opening balance sheet | 2007-08 | Completed with delay | OBS has been finalized |
| Full migration to double entry accounting system | 2011-12 | In progress | Switched over to DEAS on 01.04.2009 as per government order but both the systems (i.e. single & double entry systems) are being maintained simultaneously as directed by the State Govt. |
| Production of financial of statements as per new system | | In progress | Provisional Balance Sheet for 2008-09 and 2009-10 is ready and being audited. Unaudited B/S is published on the website. |
| Creation of mechanism for internal audit | | In progress | Annual Audit of Financial Statements prepared under DEAS is done by independent CA. MNLP and the staff of audit department are trained time to time by CA team for DEAS. |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| Commencement of External Audit of Financial Statements | | Completed | Opening Balance Sheet as on 01.04.2006 and Balance Sheet as on 31.03.2007 is audited by independent CA and subsequent Financial Statements for the year 2007-08, 2008-09, 2009-10 and 2010-11 has been finalized and is under audit. |
| Commencement of preparation of Outcome Budgets | | In progress | Outcome budget at the department level and fund level has been prepared for engineering and lighting department. |
| Instituting of internal audit/control mechanism | | Completed | Internal audit /control mechanism is already exists as Mukhya Nagar Lekha Parishak is performing internal Audit of every transaction on regular basis. |
| Undertaking of credit rating. | 2008-09 | | Done by CARE & rated B+ |
| Integration with Procurement system | | | Integrated Mechanism will be done after implementation of State level Software. Provisions have been made in the DPR. |
| Integration with Works contracts management | | | |
| Integration with Payroll and wage payments | | | |
| Integration with Store & inventory management | | | |
| Integration with User charges billing systems | | | |
| Integration with Tax collection system | | | |

7.2.1 Issues in implementation of the reform

- Outcome budgeting will require rigorous capacity building of staff.

7.2.2 Action required by state government

- Accounting Manual prepared in line with the National Accounting Manual should be approved by the State Government for its mandatory application at all the ULBs across the State of Uttar Pradesh.
- Amendments to the Municipal Act may be initiated at the State level in order to incorporate therein necessary mandatory provisions for introducing external audit of Financial Statements of all the ULBs by the office of the AG, Uttar Pradesh
- A close monitoring should be initiated at the State level through DLB in respect of implementation of integrated Financial Management System. Awareness at the State level is necessary for module for integrated Financial Management System that has already been installed in some of the ULBs



7.2.3 Action required by ULB if any

- Outcome Budgeting should be prepared for all service related departments of the ULB

7.3 L3 – Property Tax

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|--|---|
| Property Tax | | | |
| Enhancing Coverage to all properties | No timeline Indicated | Completed | Vikas Engineering & Consultant was appointed in 2008-09 to carry out the GIS Survey and completed the GIS survey. Total 14319 properties increased after the GIS survey. Coverage is reported to be 100%. VNN's tax administration assesses almost all properties except 3291 exempted properties. Complete door to door survey has been conducted on the basis of GIS map and regular revision for tracking the upcoming properties is made on the basis of spot survey and the properties are assessed accordingly. |
| Elimination of exemptions | 2007-08 | Completed as per timeline | Amendment has been introduced in the legislation by GoUP in 2006. |
| <ul style="list-style-type: none"> Self Assessment System Migration – Setting up a team to draft legislation | 2006-07 | Completed in advance for Residential Properties for residential properties | The amendment for Self-Assessment for Residential Property has been incorporated in the Nagar Nigam Act, 1959 & The Uttar Pradesh Municipal Corporation (Property Tax) (Second Amendment) Rules, 2009 have been framed. Further amendment for Self-Assessment for Commercial Property has been introduced. Presently rules are being framed. |
| <ul style="list-style-type: none"> Self Assessment System Migration – Stakeholder Consultations | 2007- 08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Preparation of Draft Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Enactment and Notification of Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Implementation by Municipalities | 2008-09 | Completed in advance for residential properties In Progress for | Self-assessment for the residential buildings was implemented in 2004-05. Online payment system was also introduced in May 2009. Amendment for Self-Assessment for Commercial Property has been |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|---|---|
| | | commercial and industrial properties | introduced. Presently rules are being framed. Self-assessment systems for commercial and industrial buildings have been introduced subsequently. |
| Setting Up non-discretionary method for PT | No timeline indicated | Completed in advance for residential properties In Progress for commercial and industrial properties | Unit area method adopted in 2004-05 for calculation of property tax for residential buildings. Migration to Self-assessment systems for commercial and industrial buildings shall be done once rules for the same have been framed. |
| <ul style="list-style-type: none"> GIS - Selection of Consultant | 2006-07 | Completed with Delay | Vikas Engineering & Consultant was appointed in 2008-09 to carry out the GIS Survey which has already completed survey and verification work. Verification of Properties was on random basis |
| <ul style="list-style-type: none"> GIS – Preparation of digital maps | 2007-08 | Completed with Delay | Satellite maps procured from NRSA and mapping of properties have also been completed. |
| <ul style="list-style-type: none"> GIS – Administration of PT using GIS | 2009-10 | Completed | VNN started issuing Bills based on GIS. GIS database is also integrated with the property tax software. |
| Next/Anticipated revision of guidance values | | | Guidance value was revised last year. Next/Anticipated revision of guidance values will be due in 2012-13 |
| <ul style="list-style-type: none"> Deadline for adoption of guidance values | Done | Completed | Guidance Value was revised in 2010, approx. 6 years after the introduction of Unit Area Method as against provisions of two years However public and political resistance for upward revision of guidance values would be an area of concern. VNN reported Next/Anticipated revision of guidance values is due in 2012-13 |
| Taxpayer Education Programme – Preparation of Ready Reckoner | Done | Completed for residential properties | Ready Reckoner was prepared and circulated at a price of Rs 10 and also uploaded on website. |
| Taxpayer Education Programme – Camps For Doubts & Form Filling | Done | Completed for residential properties | Periodic camps organized. TV and news paper are being used for awareness campaign. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--|---------------------------|--|
| Taxpayer Education Programme – Website on PT issues/FAQs | 2007-08 | Completed as per timeline | Achieved. FAQs has been put up on VNN's website www.nnvns.org |
| Establishing of Dispute Resolution Mechanism | No timeline | In progress | Appeals can be made in small cause's court. No formal mechanism |
| Rewarding Honest Tax Payer | No timeline | Completed | 10% rebate is being given for punctual property tax payer. |
| Achievement of defined % coverage ratio in PT* | 2011-11 | Completed | VNN's tax administration assesses almost all properties i.e 173660 except 3291 exempted properties. Further upcoming properties have been identified through tracking of NOC and regular site visits by staff. This indicates nearly 100% coverage ratio in 2012-13. |
| Achievement of defined % collection ratio in PT* | 2010-11 | Completed as per timeline | For FY 2013-14, till February 2014, total demand was Rs. 23.1 crores and collection was Rs. 17 crores indicating a collection efficiency of 74%. For FY 2012-13, total demand was Rs. 19.25 crores and total collection was 18.65 crores indicating a collection efficiency of 96.9%. |
| Improving arrear collection (<=10%)* | 2009-10 - 20%, 2010-11 - 20%, 2011-12- 10% | Completed as per timeline | For 2012-13, against arrear demand of Rs. 0.80crores, full collection was made indicating an efficiency of 100%. |
| Any Other | | | Electronic ticket issuing machine (ETIM) is being used by VNN for spot billing and collection. The machine is provided with the complete data of property tax demand household wise based on GIS. |

7.3.1 Issues in implementation of the reform

- Self-assessment for commercial buildings should be operationalized quickly.

7.3.2 Action required by state government

- Commence political consensus for revision in guidance value every two years. This would help in lower the political reluctance in regular guidance value revision.



7.4 L4 – User Charges

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|--|---|
| User charges | | | |
| Formulate and adopt a policy on User Charges including targeting of subsidies, full realization of O&M costs | No timeline Committed | No initiative taken | <p>ULBs have been empowered to levy and collect the User Charges for civic services such as Water Supply, SWM, Sewer etc through the Amendment in UP Municipal Act, 1916 in September 2009. This is owing to earlier powers to levy of User charges were with Jal Sansthan.</p> <p>No volumetric tariff at present. However, GoUP issued GO for implementation of water meters in UIG Cities. Presently there is no such effective policy OF GoUP.</p> <p>No such policy has been prepared at state level. However VNN has decided user charges for SWM based on feasibility calculation and rate escalation provision of 10% is also kept.</p> |
| Setting up of body for recommending UC structure | 2007-08 | No initiative taken at State level At ULB level SWM structure was decided | <p>No such body was constituted at state level.</p> <p>VNN has decided Rs 30/month and Rs 20/month user charges for SWM for residents and poor people respectively. It has also decided user charges for commercial properties such as shops, restaurants, hotels, hospitals coaching institutes, industries, workshops, University, Hostels, etc based on the covered area and no of rooms. The above rates have been decided based on feasibility calculation. This has been started from 1st Aug 2010.</p> <p>However above study for water supply and sewerage services have not been done.</p> |
| Establishment of Proper Accounting System | | | |
| <ul style="list-style-type: none"> Solid Waste Management | 2007-08 | Completed with delay | <p>VNN has signed PPP agreement for SWM with A to Z infrastructure Pvt Ltd. The door to door waste collection and user charge collection, transportation of waste and treatment is a responsibility of Concessionaire. Only street sweeping is a responsibility of VNN. User charge collected for door to door waste collection is being deposited in Escrow account of Varanasi Nagar Nigam.</p> <p>Upon complete implementation of project VNN shall pay tipping fees to the concessionaire based on tonnage of</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| | | | garbage collected. The accounts of the tipping fees paid, shall be kept separately. |
| <ul style="list-style-type: none"> Public transport | NA | Not Applicable | Not part of the VNN. |
| <ul style="list-style-type: none"> Water Supply and Sewerage | 2007-08 | In progress with delay | O&M cost of water supply and sewer are calculated at Jalkal department which recently become the part of VNN. Tally software is being used for Accounting for Water supply and Sewerage. Integration of accounting system of JALKAL with VNN is pending. |
| Achieving new service standards | | | |
| <ul style="list-style-type: none"> Water supply – LPCD | 2010-11 | In Progress with delay | <p>Present Water Supply is 13 LPCD. Presently 122366 properties have water supply connections out of total assessed properties of 172606. This indicates water supply coverage of 70%. Further VNN has installed 7010 public taps and 11790 hand pumps.</p> <p>Present average duration of water supply is 7.5 hours and 58% of NRW was reported during 2009-10.</p> <p>Further Bulk meters at source and distribution points are yet to be installed</p> <p>Fair progress on improvement of Service Standards for water supply is yet to be made; It was indicated that Service Standards shall be achieved upon implementation of water supply projects which are being implemented under JNNURM.</p> |
| <ul style="list-style-type: none"> Waste supply – Hours of supply | No info | | |
| <ul style="list-style-type: none"> Water supply – Non-revenue water | No info | | |
| <ul style="list-style-type: none"> Sewerage - % of population covered (65%) | 2010-11 | - | No specific information available. |
| <ul style="list-style-type: none"> Sewerage - % of sewerage | 2010-11 | | |
| <ul style="list-style-type: none"> Solid Waste Management | 2009-10 | In Progress with delay | <p>SWM project is being implemented on PPP basis and in advance stage of completion.</p> <p>The door to door waste and user charge collection, transportation of waste and treatment is a responsibility of Concessionaire. Only street sweeping is a responsibility of VNN.</p> <p>All 90 wards and 212000 households have been covered under the door to door waste collections.</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------------|---|
| | | | 40 acre land has been made available to A2Z for developing dumping site. The site is expected to be operational from 31 st March 2012. |
| <ul style="list-style-type: none"> Public transport | Na | NA | NA |
| Achieving new UC structure | | | |
| <ul style="list-style-type: none"> Water Supply | 2008-09 | Not Initiated | <p>Water supply network and sewer Network is implemented by Jal Nigam and metering shall be done by it and no progress in the field of volumetric tariff decision has been made.</p> <p>Presently flat water supply tariff has been calculated and charged based on following methods and whichever is higher from followings IS APPLICABLE.</p> <p>Flat water supply charges and Sewer charges based on ferrule size and different slabs of ARV for residential and commercial property.</p> <p>Water tax 12.5% of ARV.</p> <p>This is based on of Notification issued in 1999 by GoUP. User charges have been increased 5% at regular interval of three years.</p> <p>Owing to such method Water tariff of old, properties have been reduced irrespective of water use.</p> |
| <ul style="list-style-type: none"> Sewerage | 2008-09 | | |
| <ul style="list-style-type: none"> Solid waste management | 2007-08 | Completed with delay | <p>VNN has decided Rs 30/month and Rs 20/month user charges for SWM for residents and poor people respectively. The rate has been decided based on feasibility calculation. This has been started from 1st Aug 2010.</p> <p>VNN has decided Rs 30/month and Rs 20/month user charges for SWM for residents and poor people respectively. It has also decided user charges for commercial properties based on following criteria.</p> <p>Shops and Restaurant - Covered area.</p> <p>Hotels – No of rooms and type of hotel (eg 3 start).</p> <p>Hospital – No of beds</p> <p>Dharmashala, hostel – No of rooms.</p> <p>Bank, Cinema hall – Fixed monthly charges.</p> <p>School, Coaching institute – No of student</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------------------------|------------------------|--|
| | | | The above rates have been decided based on feasibility calculation and applicable from 1st Aug 2010. A total of Rs 145.56 lakhs has been collected till now. Figures on O&M cost have not been provided by VNN for comparative analysis on cost recovery. |
| ▪ Public transport | NA | NA | Not part of VNN |
| Achieving Volume based tariff & 100% metering | 2009-10 - 76% 2010-11 -100%, | Not Initiated | No volumetric tariff as metering is yet to be done by JAL NIGAM |
| Max. Target for non-revenue water | 2009-10 -9% 2010-11 -7%, | In Progress with Delay | ULB reported that Water supply network is implemented by Jal Nigam and metering shall be done by it upon implementation. |
| Max. Target for Unaccounted water | 2009-10: 23% 2010-11:20% | In Progress with Delay | However no progress has been reported for implementation of volume based tariff. 30% of UFW was reported during 2010-11.Action plan to reduce UFW as per SLB target has been prepared. However no further details were made available. Service standards shall be improved upon implementation of water supply and sewerage project. |
| Study on quantification & impact of subsidies | 2007-08 | Not Initiated | GIZ has been appointed as consultant for undertaking the study |
| Tabling & Approval of study on subsidies by Municipality | 2008-09 | Not Initiated | |
| Achieving of Full Recovery in OM from UC-WS* | 2009-10 - 100% | In Progress | For 2013-14, VNN reported a cost recovery of 43% till February 2014. Total O & M expenditure for 2013-14 was Rs. 60.59 crores and the total collection was Rs. 26.28 crores. |
| Achieving of Full Recovery in OM from UC-Sewerage* | 2009-10 - 95% 2010-11- 100% | | For 2012-13, VNN reported a cost recovery of 62% for water supply and sewerage services. Total O & M expenditure for 2012-13 was Rs. 53.89crores and the total collection was Rs. 33.51crores. |
| Achieving of Full Recovery in OM from UC-SWM* | Timeline not committed | In Progress with Delay | User charges collection for door to door waste collection is being started from 1st August 2010 on PPP model by A2Z. Efficiency in collection of SWM charges is 35.90% against SLB target of 45% for the year 2012-13. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|---|
| | | | However this efficiency does not include the realistic figures for SWM services as cost to PPP operator is accounted. |
| Achieving of Full Recovery in OM from UC-Public Transport | NA | NA | Not applicable. |

7.4.1 Issues in implementation of the reform

- Coordination between Jalkal and VNN needs to be improved to ensure overall service delivery improvement and implementation of new user charges structure at ULB level.
- Integration of accounting practice of Jalkal with VNN's is yet to take place. VNN has been using the Tally software for accounting software and adopted DEAS.
- Poor coverage of Water supply (68%) and sewerage network.
- UFW has been reported to the tune of 30%. Further bulk meters at source and distribution points are yet to be installed reflecting inadequate measurement system.
- Efforts are required to monitor proper and faster implementation of Water Supply and sewer project initiated under the JNNURM.
- There is no volumetric tariff for water supply.

7.4.2 Action required by state government

- State Government issued a GO authorising VNN to levy User charges based on volumetric tariff. However, state needs to constitute a committee for formulation of User Charge structure for volumetric metering. Based on recommendation of committee formulate a policy on user charges which includes proper targeting of subsidies, if any, for all services and ensuring maximum recovery of O&M cost by the end of the Mission period.
- Monitor the project implementation on a regular basis to complete the project within the timelines, which will improve the service delivery further.
- Impart the trainings on skills development for better service delivery. Such trainings are service level benchmarking, water auditing and NRW.
- Initiate consultative approach to form political consensus for new tariff structure for municipal services.
- Provide handholding support to ULBs for setting up new tariff structure and set a timeline for volumetric tariff implementation.

7.4.3 Action required by ULB if any

Following actions are required by the ULB for reform implementation.

- As an immediate measure to check UFW, install meters at production source and bulk connections to calculate transmission and distribution losses.
- Impart trainings to engineers on service level benchmarking, sector knowledge and new technology available in the market for better service delivery.
- VNN needs to explore new methods to increase the meet 100% O&M recovery for water and sewerage charges
- Liaise with Jal Nigam for completion of JNNURM projects and installation of water meters.



- Commence tax payer’s education and awareness program on payment of user charges based on volumetric tariff. Communicate the benefits of paying taxes to lower the public resistance.
- Accountability on calculating the complete O&M charges to service provision.

7.5 L3 – Internal Earmarking of Funds for Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------------|------------------------|---|
| Internal earmarking of funds for services to urban poor | | | |
| Reform in Accounting & Budgeting Codes to identify income and expenditure for poor | 2007-08 | Completed with delay | Separate budget code has been given for services to urban poor |
| Creation of separate Fund in Accounting System for Services Of Poor | 2007-08 | In progress with delay | Earmarking of 25% of development budget in 2011-12 is done towards the head Services to Urban Poor. The system of accounting will be further formalised after the FAS has been administered from the state level |
| Amendments in Accounting Rules for Services Of Poor | 2007-08 | No initiative taken | Presently no such system. Such provisions have been kept in new accounting manual which is under approval process. |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total Revenue Income. | 2009-10 - 9%, 2010-11 - 12%, | | 25 % of Development Budget of 2013-14 is allocated for facilities like roads and street lighting etc. |
| Targeted revenue expenditure on delivery of services to poor per annum, expressed as % of Total Own Source of Revenue Income | 2009-10 - 14%, 2010-11- 16%, | | |
| Targeted capital expenditure on delivery of services to poor per annum, expressed as % of Total Capital Expenditure | 2009-10 - 30%, | In progress with delay | |

7.5.1 Issues in implementation of the reform

- 25% of development budget has been kept for the services to Urban Poor.
- No planned expenditure for earmarked fund. The fund has been utilised on ad hoc basis in absence of interdepartmental consultations for need assessment. However VNN reported that planned expenditure would be formulated after the preparation of database by DUDA.



7.5.2 Action required by state government

- Expedite the approval of state level Accounting Manual at the earliest.
- Formulate a guideline for governing the Fund, Operating the Fund, including rules for transfer of resources into the Fund for 'Services to Poor'.
- Form a mechanism to track the revenue and capital expenditure incurred by respective ULB in urban poor areas.
- The State Government needs to keep constant vigil on the compliance of such reforms. The State Government could also conduct site inspections to observe the progress of reform as per the JnNURM standards.

7.5.3 Action required by ULB if any

- Make a development plan in consultation with DUDA and NGOs working for urban poor areas.
- Target the revenue expenditure as per the milestone specified in MOA.

7.6 L3 – Basic Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress March 2014 |
|---|----------------------------|------------------------|--|
| Basic Services to Urban Poor | | | |
| Formulation and adoption of comprehensive policy and services to poor | MoA states No info | In progress | At state level GoUP has launched several schemes for providing basic services to urban poor which include security of tenure and improved housing at affordable prices. Schemes which are being implemented are Sarv Jan Hitay Gareeb Avas (Slum Area) Malikana Haq Yojna, Manywar Shri Kanshi Ram Ji Shahri Avas Yojna. District Urban Development Authority is responsible for implementation of such schemes. |
| Survey of Poor HH | 2007-08 | Completed with delay | HH level survey has been completed in April 2010 by DUDA and identified 210 slums and 87286 families. Compilation and analysis is under process. |
| Database creation for targeting HH level schemes | 2007-08 | Completed with delay | Database is ready. |
| Prioritisation of Poor Settlements by participation method | 2007-08 | Completed with delay | Based on Rapid survey done by DUDA prioritisation of 3 Dalit basti of Varanasi (Dhelwaria, Nagwa and Lahartara Baulia) was done under MKDBBSVY to provide all basic services. |
| Max. Achievement of HH level piped WS* | 2009-10 - 65%, 2010-85% | In Progress with delay | 32,900 water supply connection against 52457 families indicating 62% coverage. It is noteworthy that in the August appraisal cycle for total families was given at 87286 (implying a coverage ratio of 38%) |



| Reform milestones | Target year | Current status | Cumulative Progress March 2014 |
|--|--|------------------|--|
| Max. Achievement of Public Taps (defined hours)* | 2009-10 - 20%, Year 2010-11- 15% | | 352 public taps with 6-7 hrs water supplies. 750 Hand pumps, 41 tube well and 16 mini tube well also installed. |
| Max. Achievement of Public Taps (def. dist from HH)* | 2009-10 - 20%, 2010-11- 15% | | |
| Max. Achievement of Hand-pumps/Tube-wells* | 2009-10 - 15%, 2010-11- 10% Year 7- 0% | | |
| Max. Achievement of Water Tanker Supply* | No info given | | |
| Max. Achievement of HH level toilets* | 2008-09 - 100% | In progress with | Presently 52457 dwelling units and each dweller unit consist of one toilet per 10 users. |
| Max. Achievement of defined disposal sys for HH toilets* | same as above | | Within 500 meters of distance total 99 community toilets have been constructed consist of total 1134 toilet seats (Average 11.45 seats per community toilet) |
| Max. Achievement of Comm. Toilet Seats* (to be used for floating population) | No Info in MOA | | |
| Max. Achievement of Avg. dist of Community Toilets from HH* (to be used for floating population) | | | |
| Max. Achievement of def. disposal Sys for Community Toilets* (to be used for floating population) | | | |
| Max. Achievement of Underprivileged Facilities in Community Toilets. (to be used for floating population) | | | |
| Max. Achievement in Pucca Housing (75% in 2009-10) | | 2009-10- | In progress with delay |



| Reform milestones | Target year | Current status | Cumulative Progress March 2014 |
|--|-------------|------------------------|---|
| Max. Achievement in Night Shelters for homeless | No info | | VNN has constructed 4 night shelter and 8 more night shelters are under construction |
| Def. Achievement in Street Sweeping | 2008-09 | Completed with delay | Regular Street sweeping is done. |
| Def. Achievement in Waste Collection | 2010-11 | In progress with delay | Recently PPP agreement has been signed and waste collection has been started. |
| Def. Achievement in lifting waste from Community Bins | 2008-09 | In progress with delay | Two bins per slum. |
| Def. Achievement in HH access to Pucca Roads | 2011-12 | In progress with delay | Present length of Pucca road is 72 km in slum area and an average distance of HH/slum clusters from pucca road is 10 meters. Further DUDA has also prepared a 10 DPR for Slum Infrastructure facilities such as Pucca road, storm water and street light for 28 slums VNN reported that SW drain is a part of storm water drainage project to be implemented JNNURM. |
| Def. Achievement in Cluster access to Pucca Roads | 2010-11 | | |
| Def. Achievement in HH access to covered SW drains | 2011-12 | | |
| Def. Achievement in Street illumination | 2008-09 | In Progress with delay | Total 5692 street light with avg. distance of 20-25 meters between two street lights. VNN reported further need of 7500 no of street lights. |
| Def. Achievement in Anganwadi/Crèche | 2011-12 | | Total 658 Anganwadi with average distance of 1000 meter from HH. |
| Def. Achievement in Community Halls | 2011-12 | | Presently 21 community halls. |
| Def. Achievement in Preventive Health Care (advisory) (Frequency of visits by health worker / other modes of communication reaching the urban poor.) (Bench mark: Once a week) | 2011-12 | In Progress | Slum area has total 20 primary health care facilities. Health check-up is organized twice every month at CHC level. Further 12 dispensaries are also situated. Provisions of Health services are made for the slums under SHIPSA project. |
| Def. Achievement in Curative HealthCare – reliability | 2011-12 | | |
| Def. Achievement in Curative HealthCare – distance.(Avg. distance of HHs from facility in mtr) (Bench mark: 2000 meters) | 2011-12 | | |



| Reform milestones | Target year | Current status | Cumulative Progress March 2014 |
|--|-------------|----------------|--|
| Def. Achievement in Pri.Edu – Enrolment (Bench mark: 100%) | 2007-08 | In Progress | 19153 students enrolled in primary & 1485 in high school. |
| Def. Achievement in Pri.Edu – Drop Out (Bench mark: 5%) | 2009-10 | | Drop-out rate is 3.37% in primary education and 24.65% in high school. |
| Def. Achievement in Pri.Edu – distance (Bench mark: 1.5 km) | 2009-10 | | Average distance of HHS from education facility is 1000mtrs. |
| Skill development training (Persons trained who pursue related occupation) (Bench mark: 75%) | | | Total of 1994 persons have been trained on different trades by DUDA. |
| Micro-credit (Access to participate in micro-credit group in the community.) (Bench mark: 85%) | | | 89 micro credit groups formed in slum and micro credit has been made available to them |

7.6.1 Issues in implementation of the reform

- Multiple agencies involved in providing services to urban poor area, for instance DUDA is providing mainly pucca housings, imparting skill development trainings and availing micro credits however VNN is providing water supply, roads, community toilets, street lights and SWM services. Education (ICDS for primary education) and Health department is responsible for providing primary education and health services respectively. Thus coordination among all agencies is required in order to improve service standards. Presently there is an absence of such coordination.
- Absence of coordination between the DUDA and VNN in forming the comprehensive development policy for Urban Poor.
- No guideline for achievement of service standards to urban poor committed in MOA.
- Inadequate coverage of water supply in slum area.

7.6.2 Action required by state government

- Form a department wise service level guideline and action plan towards providing services to Urban Poor and communicate the same with all concerned Government department.
- State Government should help ULB in formulating the guidelines for achieving service standards for services to Urban Poor. It would help in coordinating the efforts on this front.
- Set up supervision and monitoring mechanism which ensures achievement of service standards committed under this reform.
- Supervise; monitor and support the project development process initiated by DUDA through preparation and finalization of DPRs, issuance of tenders and award of contracts as soon as possible.



7.6.3 Action required by ULB if any

- Coordinate with DUDA in identifying the needs of urban poor and pursue it in achieving the services standards falling under its purview.
- Prepare a policy addressing the comprehensive development of Urban Poor and do constant follow up with different Government agencies involved in providing different services to Urban Poor.
- Improve water supply coverage in slum area.



8. Appraisal of ULB Level Reforms – Agra

8.1 L1 – E-Governance

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| E – Governance | | | |
| Appointment of State-level Technology Consultant as State Technology Advisor | 2006-07 | Completed with delay | As per Letter No: K-14012/119/09-NURM I from GOI, Ministry of Urban Development, a State Level Software Solution would be developed and deployed. IIT Kanpur has been appointed as Technology Advisor. |
| Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP | 2007-08 | Completed with delay | MEDD was prepared by IIT, Kanpur and has been approved by CSMC. On the basis of revised guidelines, IIT Kanpur was then requested to prepare the E-governance DPR of Agra. Revised DPR has been prepared and approved. |
| Assessment of MEDD against National E-Governance Standards | 2007-08 | Completed with delay | Assessment of MEDD is completed as per guidelines issued from Gol by IIT Kanpur. Customization of software has been taken up in the revised DPR. |
| Finalisation of Municipal E-Governance implementation action plan for the city | 2007-08 | Completed with delay | ULB level Implementation action plan is there in the E-Gov DPR prepared for ANN. DPR has been approved in Jan 2012. |
| Undertaking Business Process Reengineering (BPR) Prior to migration to E-Governance systems | 2007-08 | In progress with delay | BPR at ANN level is done & included in the DPR. A core team has been appointed for it. LAN connectivity between zones and ANN office has been done. Zone wise internal networking is there through internet. |
| Appointment of Software consultant(s) / agency for development, deployment and training | 2007-08 | In progress with delay | UPDESCO, Computer Kendra, Prasad Agrawal & Associates, E-horizon, Ramky, ABC Procure have been appointed for development of software and providing training. NIC has been appointed as Software Consultant by State. |
| Exploring PPP option for different E-Governance services | 2007-08 | In progress with delay | Cyber Cafes are engaged to provide Birth & death certificate facility to citizens .PPP options are currently being explored in Property Tax module: <ul style="list-style-type: none"> - Axis bank are engaged in collection of PT - Property Tax bills are distributed through post office. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|------------------------|--|
| | | | PPP cell has been established in the ULB and more options will be availed during implementation of E-Gov. DPR. ANN has adopted PPP route in applying for property mutation, Birth & Death and issuing Certificates to the Public. ANN has authorized 43 CCP's (Citizen Cyber Point) to provide Online Birth & Death Certificates to the citizen. |
| Implementation of E-Governance modules | | | |
| <ul style="list-style-type: none"> Property tax | No timelines indicated | Completed | Online payment of Property Tax has been started by ANN. Website is www.agrapropertytax.com . Axis Bank and IDBI Bank Gateway have been engaged for online property tax payment system. |
| <ul style="list-style-type: none"> Accounting | 2007-08 | In progress with delay | Accounting & Budgeting has been computerized and ANN has shifted to Double Entry Accounting System since April, 2009 |
| <ul style="list-style-type: none"> Water Supply and Other Utilities | 2007-08 | Completed | Jalkal is maintaining water accounts on Tally separately which is not integrated with ANNs accounting module as of now. Water Tax collection is computerized and implemented in Jalkal Department. Jalkal department has been officially transferred to ANN and all assets have been transferred to ANN. |
| <ul style="list-style-type: none"> Birth & Death Registration | No timelines indicated | Completed in advance | Data of Death and Birth have been digitized and uploaded and Birth & Death Certificates are available on Website. Its URL is www.birthdeathagra.com . Computerized Birth & Death Certificates are being issued by ANN. A advanced Module through which Hospital can directly enter every birth & death data on ANN portal and citizen can get the certificate after paying Rs 10/- through Master or Visa Card from his home, Cyber café, Nagar Nigam, Hospital, has been developed & is in operation. |
| <ul style="list-style-type: none"> Citizens' Grievance Monitoring | 2007-08 | Completed with delay | E-horizon, Delhi developed IVRS System and installed it along with Toll free no 18001803015 Complaints are also received through ANN Website and are being redressed.SMS is sent |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|----------------|------------------------|---|
| | | | to the complainant and concerned officer regarding that complaint. Action is taken immediately to redress it. |
| <ul style="list-style-type: none"> Personnel Management System | 2008-09 | In progress with delay | <p>State level software for Personnel Information System has been developed and digitization of employees' record has been done. Employee information is also available on ANN website.</p> <p>Detailed information of employee working in Agra Nagar Nigam is available online (like there salary status, GPF A/c Status, Personal Details, Leave Status and retirement information etc.)</p> |
| Procurement and Monitoring of Projects | | | |
| <ul style="list-style-type: none"> E – Procurement | No commitments | In progress | Tender has been awarded to E-Procurement Technologies Ltd. for implementation of E-Procurement Solution in ANN. Earlier it was being carried out by Wipro Ltd. Downloading of tenders is being done through website of ANN by the bidders. |
| <ul style="list-style-type: none"> Project/Award Works | No commitments | In progress | Software developed and installed. ANN informed that monitoring of ward works is computerized and done regularly. |
| Building Plan Approval | 2011-12 | In progress | State level software has been prepared - "Avasbandu" for Building Permissions. Agra Development Authority is working on this module as the approval of building plans is accorded by ADA. |
| Health Programmes | | | |
| <ul style="list-style-type: none"> Licenses | 2008-09 | | Online software for issuing licenses has been prepared and is in operation. |
| <ul style="list-style-type: none"> Solid Waste Management | 2008-09 | | <p>SWM project is nearing completion in ANN with Ultra Urban Infratech. The project has provisions for monitoring through e-governance module which is proposed to be completed soon.</p> <p>Currently data pertaining to door to door collection, transportation, weighing of SW and staff etc is recorded by an operator on computer.</p> <p>All the vehicles collecting garbage within ANN Boundary are connected through GPS System and monitored through software by Ultra Urban</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|-------------------|-------------|----------------|--|
| | | | Infratech. SWM project is nearing completion in ANN. |

8.1.1 Issues in implementation of the reform

- Absence of state level direction for integrated E-Governance modules leading to development of standalone software modules
- Data migration to the new integrated state level E-Governance system would be a challenge at the ULB level.
- State level impetus is required for development of state-wide E-Procurement system to avoid duplication.
- Computerised building plan approval system is a challenge as it falls under the purview of Development Authority for each mission cities.

8.1.2 Action required by state government

- Implementation of State-wise E-Governance project now needs to be stepped up to ensure faster migration to new software along with integration of relevant modules.
- State level initiatives are required to implement the full E-procurement system and Building Plan Approval System.
- Form a mechanism for consultation and standardisation. It is required as many state government agencies are involved in expediting similar task using incompatible file formats and application standards. For e.g. roles and responsibility of Development Authority involves approval of building plans. However, such plans also require NOC from the ANN. Hence, work flow needs to be discussed among the agencies involved and accordingly such modules would be prepared.
- Create post(s) of personnel required to man the e-governance solutions. Presently contractual post of IT personnel is created in PIU. However, permanent posting is required for handholding, or factored into performance specifications of a PPP contract.
- Separate specifications for system maintenance, data integrity and front-end management are to be addressed.

8.1.3 Action required by ULB if any

- The ULB should liaise with the state government for creation of permanent post of IT coordinator and implementation of the reform
- Set a guideline for monitoring of service levels of each E- Governance system.

8.2 L2 – Municipal Accounting

| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| Resolution by Government expressing commitment to establish modern municipal accounting system | 2007-08 | Completed | State govt has issued GO-4094/9-5-2008-119 ja/2008 dated 02-06-2008 regarding the implementation of accrual based accounting system from F.Y. 2009-10. |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| | | | <p>Under URIF Plan (Urban Reform Incentive Fund), State govt has got entered in to agreement with private firms for the development of accrual based double entry account manual and an account manual was prepared and submitted to government for approval, another software firm is being engaged for development of double entry accounting software for the management and maintenance of municipal data. Besides, ANN has already been entered into contract with CA Firm and assisting in introducing the new accounting system</p> <p>GoUP has entered into a tripartite agreement after the passing the resolution to establish modern municipal accounting system.</p> |
| Appointment of consultants for preparing municipal financial accounting manual. | 2007-08 | Completed | Integrated Management Group (IMG) has been appointed at State level. |
| Completion and adoption of Municipal Financial Accounting Manual, in line with NMAM or otherwise | 2007-08 | In progress with delay | Municipal financial accounting manual is pending approval at the state level. |
| GO/Legislation/Modification of Municipal Finance Rules for migrating to double-entry accounting system | 2007-08 | | GO has been issued by State Govt. to migrate to Double Entry Accounting system since 1 st April 2008 |
| Training of personnel for new Accounting System | 2007-08 | Completed | Fort-nightly Training is given to the key account personnel. Monthly training is given to all account staff along with AO & CAO by senior consultants of the firm. Regular training on actual work has commenced. Bank reconciliations are being prepared by ANN staff themselves under the guidance of C.A. |
| Appointment of field-level consultant | 2007-08 | Completed | M/s Prasad Agrawal & Associates, Agra C.A. has been appointed |
| Notification of cut-off date for migration | 2007-08 | | GO has been issued by State Govt. to migrate to Double Entry Accounting system since 1 st April 2008 |
| Re-engineering of business processes to aligning with new system | 2007-08 | In progress | A State-level policy has been adopted for reengineering of Business Process. |
| Completion of registers and valuation of assets and liabilities. | 2007-08 | In progress | Assets & Liabilities valuation is completed as per prescribed format |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| Drawing provisional opening balance sheet | 2007-08 | Completed | Opening Balance Sheet as on 1-4-2009 is completed. |
| Adoption of Provisional opening balance sheet | 2007-08 | In progress with delay | OBS as on 1-4-2009 is audited and adopted. |
| Finalization of opening balance sheet | 2007-08 | In progress with delay | Opening Balance Sheet as on 1-4-2009 is Finalized. |
| Full migration to double entry accounting system | 2011-12 | | Fully migrated to DEAS. Cash based system is also being maintained simultaneously as per DLB instructions |
| Production of financial of statements as per new system | 2008-09 | In progress with delay | Balance Sheet of 2009-10, 2010-11 has been completed and finalized. Balance sheet of 2011-12 is in progress and will be completed by Dec, 2013. |
| Creation of mechanism for external audit | | Completed | External Audit is done by Auditor General (A.G.) and local fund auditor as per the direction of State Govt. Audit of DEAS is being done by External Auditor, M/S Tandon & Mittal Associates. |
| Commencement of External Audit of Financial Statements | | Completed | External Audit of Financial Statements has been done by Chartered accountant. |
| Commencement of preparation of Outcome Budgets | | In progress | Monthly outcome budget is prepared regularly. |
| Instituting of internal audit/control mechanism | | Completed | Internal audit /control mechanism is already exists as Mukhya Nagar Lekha Parishak is performing internal Audit of every transaction on regular basis. |
| Undertaking of credit rating. | 2007-08 | | Done by CARE & it is B+ |
| Integration with Procurement system | 2009-10 | In progress with delay | Integrated Mechanism will be done after implementation of State level Software. Process of appointing state implementation consultant is complete. NIC has been appointed. |
| Integration with Works contracts management | | | |
| Integration with Payroll and wage payments | | | |
| Integration with Store & inventory management | | | |
| Integration with User charges billing systems | | | |
| Integration with Tax collection system | | | |



8.2.1 Issues in implementation of the reform

- Balance sheets of subsequent years need to be finalized
- The understanding on the concept for preparation of outcome budget needs to be enhanced through capacity building and training.

8.2.2 Action required by state government

- Accounting Manual prepared in line with the National Accounting Manual should be approved by the State Government for its mandatory application at all the ULBs across the State of Uttar Pradesh
- Amendments to the Municipal Act may be initiated at the State level in order to incorporate therein necessary mandatory provisions for introducing external audit of Financial Statements of all the ULBs by the office of the AG, Uttar Pradesh
- The timeline for every aspect of reforms should be defined at the State level and effective monitoring should be in place for timely achievement of target date
- A close monitoring should be initiated at the State level through DLB in respect of implementation of integrated Financial Management System. Awareness at the State level is necessary for module for integrated Financial Management System that has already been installed in some of the ULBs
- The ULBs lack necessary knowledge in implementing the outcome budgetary system. This system envisages a multi-year budget system considering the priorities set by the stakeholders. It is a performance measurement tool that helps in better service delivery; decision-making; evaluation of programme performance and results; communication of programme goals; and improvement in programme effectiveness. State-level initiatives should be taken to conduct a hand-holding exercise for introduction of outcome budget at different ULBs

8.2.3 Action required by ULB if any

- .Outcome budgeting should be understood thoroughly and should be adopted once there is clarity on the concept

8.3 L3 – Property Tax

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|----------------|---|
| Property Tax | | | |
| Enhancing Coverage to all properties | No timelines indicated | Completed | Coverage has been enhanced so as to bring all properties under the tax net. The ULB has reported 96% coverage. |
| Elimination of exemptions | 2007-08 | Completed | Exemptions can be accorded in line with the provisions of the Act and also reflected in the Model Municipal Bill. |
| Migration to Self-Assessment System of Property Taxation | | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| <ul style="list-style-type: none"> Self Assessment System Migration – Setting up a team to draft legislation | 2006-07 | Completed | Self assessment for residential properties has been implemented. Self assessment for commercial properties is being deliberated at the state level |
| <ul style="list-style-type: none"> Self Assessment System Migration – Stakeholder Consultations | 2007-08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Preparation of Draft Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Enactment and Notification of Legislation | 2007-08 | | |
| <ul style="list-style-type: none"> Self Assessment System Migration – Implementation by Municipalities | 2007-08 | | |
| Setting Up non-discretionary method for PT | | Completed | Unit area based method is used for calculating PT. |
| <ul style="list-style-type: none"> GIS Based PT system | | | |
| <ul style="list-style-type: none"> GIS - Selection of Consultant | 2006-07 | Completed | IPE Consultants were appointed – however as per the ULB’s own admission the system was developed on AutoCAD which is NOT a GIS platform per se. A new project has been developed for GIS Mapping. DPR has been made by IIT Kanpur which will be submitted to government for approval on 23 rd March 2014. |
| <ul style="list-style-type: none"> GIS – Preparation of digital maps | 2007-08 | Completed | Satellite images were used prior to 2005 |
| <ul style="list-style-type: none"> Verification of digital maps and preparation of complete data of properties | 2007-08 | Completed | Mapping was done in 2006-07 followed by ground verification of properties. However, the number of properties may have grown considerably. |
| <ul style="list-style-type: none"> GIS – Administration of PT using GIS | 2008-09 | Completed | One round was completed (see above) in 2006-07, but subsequent updation of base maps has not been done. |
| <ul style="list-style-type: none"> GIS – Mechanism for periodic updation of GIS database | 2009-10 | In progress | ANN informs that it is being completed. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|------------------------|---|
| Next/Anticipated revision of guidance values | No timelines indicated | In progress | Guidance values revised in 2010. Next revision due after 2 years |
| Taxpayer Education Programme – Preparation of Ready Reckoner | No timelines indicated | Completed | Ready Reckoner is available at Rs 25/- |
| Taxpayer Education Programme – Camps For Doubts & Form Filling | | Completed | Local camps are organised. |
| Taxpayer Education Programme – Website on PT issues/FAQs | 2007-08 | Completed | Separate PT website developed www.agrapropertytax.com |
| Establishing of Dispute Resolution Mechanism | No timelines indicated | Completed | Appeals are made in courts for small causes. |
| Rewarding Honest Tax Payer | No timelines indicated | Completed | 10% rebate is given to the timely tax payer, if they deposit their tax before 30th September of every year |
| Achievement of defined % coverage ratio in PT* | No timelines indicated | Completed | 96% coverage ratio achieved |
| Achievement of defined % collection ratio in PT* | No timelines indicated | In progress with delay | For 2013-14, till February 2014, total demand was Rs. 19.9 crores and collection was Rs. 14.5 crores indicating a collection efficiency of 73%. For 2012-13, the total demand was Rs 18.4 Cr and collection was 17.15 Cr. indicating a collection efficiency of 93.22% As on Sep 2013, ANN has collected Rs. 7.87 crores as against the total demand of Rs. 19.92 crores. |
| Improving arrear collection ($\leq 10\%$)* | 2009-10 | In progress with delay | For 2012-13 arrear demand was 3.8 Cr and arrear collection was 3.4 Cr indicating efficiency of 87% |

8.3.1 Issues in implementation of the reform

- Self-assessment for commercial buildings not been introduced
 - ◆ Self-Assessment system for residential properties has been introduced well in advance through appropriate amendment in the Nagar Nigam Act, 1959 and accordingly framed the rules. Such initiative has not been taken for commercial properties.

8.3.2 Action required by state government

- Constitute a committee for introduction of self-assessment system for commercial buildings and recommendation of committee Introduced appropriate amendment in Municipal Act for self-assessment of commercial building.



- Commence political consensus for simplifying and harmonising the ARV computation algorithm. The resultant model should be able to update every year.

8.3.3 Action required by ULB if any

- Amend Municipal Act to improve penal provisions as per law, including sealing/ attachment of properties with high tax liabilities.

8.4 L3 – User Charges

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| User charges | | | |
| Setting up of body for recommending UC structure | 2007-08 | Not initiated | Executive Committee / ANN Board have been constituted to approve the UC structure. |
| Establishment of Proper Accounting System | 2007-08 | In progress | Separate heads for water supply and solid waste management defined. Detailed accounts to be produced |
| <ul style="list-style-type: none"> Solid Waste Management | | | |
| <ul style="list-style-type: none"> Public transport | | Not initiated | This function is not under the purview of the Agra Nagar Nigam |
| Achieving new service standards | 2009-11 | In progress | SLBs have been finalised and being implemented. |
| <ul style="list-style-type: none"> Water supply – LPCD | | | It was 114 lpcd in the year 2011-12. Service Standard for WS improved under JNNURM, JAICA (Gangajal Project) will be completed |
| <ul style="list-style-type: none"> Waste supply – Hours of supply | | | 5 to 8 Hrs per day |
| <ul style="list-style-type: none"> Water supply – Non-revenue water | | | It was 26 % in the year 2011-12. Target is 25 % in the year 2012-13. Service Standard for WS will improve as the project under JNNURM, JICA (Ganga jal Project) will be completed. Also measures will be taken to motivate people for taken connections and to reduce leakage etc. Service Standard are expected to improve as the project under JNNURM, JICA (Ganga jal Project) will be completed |
| <ul style="list-style-type: none"> Sewerage - % of population covered | | | ANN informs that works of sewerage are under progress and laid sewer lines have improved the service standards. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---|----------------|--|
| <ul style="list-style-type: none"> Sewerage - % of sewerage | | | 20% area of ANN is presently covered |
| <ul style="list-style-type: none"> Solid Waste Management | | | 40% Door to door collection in 2011-12. Achieving 44% targeted in 2012-13. |
| <ul style="list-style-type: none"> Public transport | This function is not under the purview of the ULB | | |
| Achieving new UC structure | 2008-09 | In progress | <p>Volumetric tariff for water has not been levied</p> <p>Currently, water charges based on fixed formula based on ferrule size.</p> <p>Sewerage charges are also levied as per fixed formula. (25% of water charges)</p> <p>The structure of User charge is approved from Govt. and implemented.</p> |
| <ul style="list-style-type: none"> Water Supply | | | |
| <ul style="list-style-type: none"> Sewerage | | | |
| <ul style="list-style-type: none"> Solid waste management | | | |
| <ul style="list-style-type: none"> Public transport | This function is not under the purview of the ULB | | |
| <ul style="list-style-type: none"> Health services | 2008-09 | Not initiated | No enough information available with the ANN Pertains to health department |
| Achieving Volume based tariff & 100% metering | 2011-12 | In progress | Metering will be carried out once the water infrastructure related projects are completed. |
| Max. Target for non-revenue water | 2011-12 | In progress | <p>NRW is currently reported to be 26% and targeted 25 % in 2012-13.</p> <p>No progress details were available since these are linked to full implementation of current projects that have been taken up. However it is noteworthy that no meters have been installed at the production source to estimate the total amount of water being pumped into the city based on which estimates of NRW and UFW can be drawn.</p> <p>Old rising main distribution system is being replaced and rehabilitation of Jeeveni Mandi Water works is ongoing.</p> |
| Max. Target for Unaccounted water | | | |
| Study on quantification & impact of subsidies | 2007-08 | Not initiated | <p>DUDA has been doing some work regarding the impact of various subsidies on the target group & its quantification. AMC has also been doing the same for the schemes being implemented by them. On the basis of this number of public taps & other initiatives have been taken up.</p> <p>However no specific comprehensive study has been conducted.</p> |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---|----------------|--|
| Tabling & Approval of study on subsidies by Municipality | No timelines indicated | Not initiated | No study has been carried and hence the same cannot be tabled |
| Achieving of Full Recovery in OM from UC-WS* | 2005-11 | In progress | For 2013-14, O & M cost was Rs. 55 crores and cost recovery was Rs. 36 crores (65%). |
| Achieving of Full Recovery in OM from UC-Sewerage* | | | |
| Achieving of Full Recovery in OM from UC-SWM* | 2006-12 | In progress | Private operator has ceased operations. No user charges being collected. |
| Achieving of Full Recovery in OM from UC-Public Transport | This function is not under the purview of the ULB | | |

8.4.1 Issues in implementation of the reform

Following issues need to be tackled for implementation of User Charges reforms.

- The difference between a 'tax' and 'service tariff' is still not clear to the ULBs – resulting in a situation where either are taken for granted. Consequently, the mechanisms used for computing cost of delivery and revenue requirements are not very scientific.
- Integration of accounting practice between that of Jalkal and ANN still needs attention. ANN has been using the FAS software for accounting and adopted DEAS.
- As a standalone basis, recovery against the total O&M cost for water supply and sewerage is stated at 104%. However, electricity costs are not included as part of O & M cost calculations
- Due to the lack of an accounting mechanism, neither the State, nor the ULB has formulated or adopted any policy on user charges which includes proper targeting of subsidies, if any, for all services;
- Close follow up on improving SLB for WSS is required. In this respect clarity needs to be developed on the concepts relating to NRW and UFW. Apart from the ongoing work on the projects under Ganga Jal Project and JNNURM, initiatives needs to be taken at the AMC level for improving overall management, service coverage and building public opinion on levy of volumetric user charges in the future.

8.4.2 Action required by state government

- State Government issued a GO authorising AMC to either levy user charges or authorise the levy of user charges based on volumetric tariff or any method deemed economically viable. However, state needs to constitute a Committee for formulation of:
 - ◆ (i) baseline cost norms and user charge structure for services, and
 - ◆ (ii) normalising tariff with respect to O&M costs for areas with geographical disadvantages (e.g. costs associated with unusually high raw water carriage or pumping).
- Based on recommendation of committee State may formulate a policy on user charges which includes proper targeting of subsidies, if any, for all services; ensuring the full realization of O&M cost by the end of the Mission period.
- Form a mechanism for coordination and review on the implementation of ongoing water supply projects.





- Reconcile the roles and responsibilities between Jalkal and remainder of AJS
- Develop an OD assessment for Jalkal
- State also needs to closely monitor the SLB data being provided and guide actions for improvements.
- Since there is shortage of water supply at AMC, the state should lay emphasis on promoting rain water harvesting structures, especially given the importance of Agra due to tourism and the high water needs of the hospitality industry.

8.4.3 Action required by ULB if any

Following actions are required by the ULB for reform implementation.

- Devise an oversight mechanism to derive best results out of Jalkal, including the creation of Service Level Agreement
- Initiate the study on quantification & impact of subsidies.
- Finalise Service Level Benchmarks & assist Jalkal in liaising with Jal Nigam for completion of JNNURM projects and installation of water meters.
- Meters at production source should be installed at the earliest to accurately assess the UFW in the system and undertake measures to reduce it.
- Electricity expenditure should also be considered while calculating the overall O&M cost for water and sewerage services.
- Promote rain water harvesting structures to conserve groundwater resources in the long run, given the water supply shortage and tourism significance of the city.
- Impart trainings to engineers on service level benchmarking, sector knowledge and new technology available in the market for better service delivery.

8.5 L3 – Internal Earmarking of Funds for Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|----------------|------------------------|---|
| Internal earmarking of funds for services to urban poor | | | |
| Reform in Accounting & Budgeting Codes to identify income and expenditure for poor | 2007-08 | Completed | Separate accounting codes have been adopted for income and expenditure for poor. |
| Creation of separate Fund in Accounting System for Services Of Poor | 2007-08 | Completed with delay | Separate fund has been created for Services to Urban Poor. Separate codes for accounting have been adopted. |
| Amendments in Accounting Rules for Services Of Poor | 2007-08 | Completed with delay | Achieved |
| Max. Total Revenue Expenditure Target for Services Of Poor | 20% by 2008-09 | In progress with delay | 20.05 Cr (28.04%) in FY (2012-13) 16.09 Cr (29.45%) in FY (2011-12). |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|----------------|----------------|---|
| Max. OWN Revenue Expenditure Target for Services Of Poor | 22% by 2008-09 | | 8.06 Cr (27.98%) in FY (2010-11). 7.88 Cr (26.01%) in FY (2009-10). |
| Max. CAPITAL Revenue Expenditure Target for Services Of Poor | 28% by 2010-11 | | 6.02 Cr (30.02%) in FY(2012-13) 16.80 Cr (32.68%) in FY (2011-12) 9.19 Cr (31.90%) in FY (2010-11) . 8.00 Cr (26.40%) in FY (2009-10) . The earmarking has been done against the development budget as against the actual requirement of revenue expenditure and capital expenditure. |

8.5.1 Action required by state government

- Formulate Rules for governing the Fund, Operating the Fund, including rules for transfer of resources into the Fund for ‘Services to Poor’
- The State Government needs to keep constant vigil on the compliance of such reforms. The State Government could also conduct site inspections to observe the progress of reform as per the JNNURM standards

8.5.2 Action required by ULB if any

- A systematic plan for urban poverty reduction is to precede the earmarking of funds for the urban poor.
- Target the revenue expenditure as per the milestone specified in MOA

8.6 L3 – Basic Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|---------------------------------|------------------------|---|
| Internal earmarking of funds for services to urban poor | | | |
| Formulation and adoption of comprehensive policy and services to poor | With 6 months of signing of MoA | Not initiated | No policy formulation measures have been taken |
| Survey of Poor HH | 2007-08 | In progress with delay | Fresh house hold survey has is ongoing by CURE under UP RAP project. |
| Database creation for targeting HH level schemes | 2008-09 | In progress with delay | Based on rapid survey , three slums (Tedi Bagiya, Raj Nagar, Ram nagar) have been identified for integrated development under Manyawar Kanshi Ram Dalit Bahulya Samgra Vikas |
| Prioritisation of Poor Settlements by participation method | 2007-08 | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|----------------------------|------------------------|---|
| | | | Yozana. Works are in progress by various parastatal depts. |
| Max. Achievement of HH level piped WS* | 2007-11 | In progress with delay | |
| Max. Achievement of Public Taps (defined hours)* | | | 5 to 8 hrs |
| Max. Achievement of Public Taps (def. dist from HH)* | | | 415 , 4 to 8 hrs |
| Max. Achievement of Hand-pumps/Tube-wells* | | | 100 to 150 Mtrs |
| Max. Achievement of Water Tanker Supply* | | | 10 Water Tanks are available. Response time 2 hrs. |
| Max. Achievement of HH level toilets* | | | 1723 , Sewer or septic tank connected |
| Max. Achievement of defined disposal sys for HH toilets* | | | Connected Sewer and sock pits. |
| Max. Achievement of Comm. Toilet Seats* | | | 150 Community Toilets each having 10 to 20 Seats |
| Max. Achievement of Avg. dist of Community Toilets from HH* | | | 50 to 200 Mtr. |
| Max. Achievement of def. disposal Sys for Community Toilets* | | | Connected with Sewer and septic tanks. |
| Max. Achievement of Underprivileged Facilities in Community Toilets | | | |
| Max. Achievement in Pucca Housing | | | 15650 No. of houses are constructed for urban poor under various schemes |
| Max. Achievement in Night Shelters for homeless | | | 25 Temporary night shelters are also made in winter season. ANN has three Night Shelters having beds, water, toilet, kitchen, entertainment facilities in them. 9 Night shelters are under construction |
| Def. Achievement in Street Sweeping | | | Daily |
| Def. Achievement in Waste Collection | | | 100-150 meters from HHs |
| Def. Achievement in lifting waste from Community Bins | | | Daily |
| Def. Achievement in HH access to Pucca Roads | Most roads are pucca roads | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|---|
| Def. Achievement in Cluster access to Pucca Roads | | | Most HHs have access to pucca roads |
| Def. Achievement in HH access to covered SW drains | | | ANN, DUDA, ADA, Avas Vikas construct drains in different areas along with roads. Every year a huge slum area is improved in terms of roads, drains, electricity, street light, water supply, sewerage etc. by various para-statal depts |
| Def. Achievement in Street illumination | | | 3698 Street Light points are there in slum areas |
| Def. Achievement in Anganwadi/Crèche | | | 386 Anganwadi centres are there in slum areas |
| Def. Achievement in Community Halls | | | 150 to 200 mts |
| Def. Achievement in Preventive Health Care (advisory) | | | In Nagar Nigam area there are 16 primary health centres facilitating urban poor |
| Def. Achievement in Curative HealthCare – reliability | | | Check-up facility available every time, Health check-up camps are also organized time to time |
| Def. Achievement in Curative HealthCare – distance | | | 200 to 300 mts |
| Def. Achievement in Pri.Edu – Enrolment | | | 80% enrolment ratio |
| Def. Achievement in Pri.Edu – Drop Out | | | 12% dropout rate reported |
| Def. Achievement in Pri.Edu – distance | | | 100-150 meters |

8.6.1 Issues in implementation of the reform

- The standards being followed for basic service provision are not clear, and are ambiguous – since the housing provided under BSUP or Manyawar Kanshi Ram Awas Yojana seems to follow better standards

8.6.2 Action required by state government

- Amend Municipal Act to change the status of Urban Poverty Reduction from discretionary function to obligatory function.
- Direct preparation and adoption of long term or intermediate term planning for the urban poor by way of MAPPRs (Municipal Action Plan for Poverty Reduction)
- DUDA may be retained as the key or sole implementing agency – however its fund support may come primarily from ULB
- Asset/ estate disposal rules for houses created under BSUP via DUDA for and on behalf of the ULB require being set up at the earliest.



8.6.3 Action required by ULB if any

- Commission, using surveys done so far, comprehensive MAPPR – this should identify projects that are to be taken up through BSUP, MKRAY and the upcoming RAY in line with the slum-free cities plan
- Deploy DUDA or any agency of its choosing to carry out the tasks appurtenant to the same
- Commission annual State of Urban Poverty Report



9. Appraisal of ULB Level Reforms – Mathura

9.1 L1 – E-Governance

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| E – Governance | | | |
| Appointment of State-level Technology Consultant as State Technology Advisor | 2006-07 | Completed | Mathura was selected as one of eight towns under YAP-II, under which a comprehensive e-Governance system has been developed, and the contract for which includes handholding support for three years. The systems have been deployed and placed within the Mathura Nagar Nigam premises, however – the usage factor is low. Part of this is attributed to the fact that the State is considering an alternative system for deployment across the State. |
| Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP | 2007-08 | In progress with delay | |
| Assessment of MEDD against National E-Governance Standards | 2007-08 | | |
| Finalisation of Municipal E-Governance implementation action plan for the city | 2007-08 | | e-Governance DPR of Rs.1,83,02,225/- sanctioned by Central Sanctioning and Monitoring Committee (CSMC) on 24th Feb'2012 and MoA also signed by Nagar Palika Parishad Mathura |
| Undertaking Business Process Reengineering (BPR) Prior to migration to E-Governance systems | 2007-08 | In progress with delay | BPR is part of the state level DPR which is under development. |
| Appointment of Software consultant(s) / agency for development, deployment and training | 2007-08 | Completed | NIC has been appointed as the State Implementation Consultant for the development of software. M/s. SPECK Systems were appointed consultants under YAP-II |
| Exploring PPP option for different E-Governance services | 2007-08 | Not initiated | PPP options have not been thought about, since the state level DPR implementation will have provisions for the same. |
| Implementation of E-Governance modules | 2008-12 | | |
| <ul style="list-style-type: none"> ▪ Property tax | 2007-08 | In progress with delay | A separate GIS based property tax monitoring system has been developed – however, the issue of reconciliation of data (number of properties is still pending). Bills are generated on computers. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| <ul style="list-style-type: none"> Accounting | 2007-08 | In progress with delay | Asset and liabilities registers have been prepared and finalized. Balance sheet is being prepared through Tally software. |
| <ul style="list-style-type: none"> Water Supply and Other Utilities | 2009-10 | In progress with delay | It comes under property tax and all attributes are combined with the property tax software. No separate module has been prepared. |
| <ul style="list-style-type: none"> Birth & Death Registration | 2009-10 | Completed | Completed – this is one of the few modules which is issuing regular products. |
| <ul style="list-style-type: none"> Citizens' Grievance Monitoring | 2008-09 | In progress | Computerized process for Grievance tracking and monitoring is in place – A dedicated phone line has been provided for citizen to lodge the complaints - 05652500006. |
| <ul style="list-style-type: none"> Personnel Management System | 2008-09 | In progress with delay | Information are uploaded on the web enabled state level PIS. ULB also has its own software. |
| Procurement and Monitoring of Projects | | | |
| <ul style="list-style-type: none"> E – Procurement | | Not initiated | <p>State level E-portal has been demonstrated by NIC and is in testing process, meanwhile tenders are uploaded on the website. Contractors can download from there.</p> <p>PMES is working for JNNURM Works. Records are maintained by the computer in MS Excel. New software has been developed by SPECK Systems and is under testing.</p> |
| <ul style="list-style-type: none"> Project/Award Works | | | |
| Building Plan Approval | 2011-12 | Not initiated | Building Plan Approval Software has been prepared by Speck Systems and NPPM is continually coordinating with MVDA for testing and implementation of the same. |
| Health Programmes | | | |
| <ul style="list-style-type: none"> Licenses | 2008-09 | Not initiated | <p>Module for issuance of licenses has been developed and deployed – however, due to the extremely low promotion of the same and the insistence of the ULB officials to retain legacy systems, the same is not being used effectively.</p> <p>The solid waste project is undergoing in NPP Mathura with the help of SPML. In the project itself it has provision of complete monitoring through e-Governance module which is proposed to be completed by the</p> |
| <ul style="list-style-type: none"> Solid Waste Management | | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|-------------------|-------------|----------------|--|
| | | | end of this Financial Year. Currently all data regarding solid waste management process is being maintained. |

9.1.1 Issues in implementation of the reform

- Delayed appointment of Project Implementation Unit has adversely impacted the progress on this reform
- Integration of modules between UP Jal Nigam commissioned works and works to be undertaken for JNNURM
- Recent transfer of Jal Sansthan into the MNP leading to non-development of Water supply & utility modules
- State level impetus is required for development of state-wide E-Procurement system

9.1.2 Action required by state government

Following actions are required by the State Government for reform implementation.

- Evolve a mechanism or action plan for data migration to E - Gov modules to be developed at the state level. Such action plan is required at state level, as all the ULBs will face this issue.
- There must be a Centralised directive to all ULBs to formally migrate into automated processes and purge manual operations within a given timeframe, with penal clauses. Otherwise, ULBs will try to retain to manual processes even after the systems are in place.
- Form a mechanism for consultation and standardisation. It is required as many state government agencies are involved in expediting similar task using the incompatible file formats and application standards. For e.g. roles and responsibility of Mathura Vrindaban Development Authority involves approval of building plans. However, such plans also require NOC from the MNP. Hence, work flow needs to be discussed among the agencies involved and accordingly such modules would be prepared.
- Create post(s) of personnel required to man the e-governance solutions. Presently contractual post of IT personnel is created in PIU. However, permanent posting is required for handholding, or factored into performance specifications of a PPP contract.
- Separate specifications for system maintenance, data integrity and front-end management are to be addressed.

9.1.3 Action required by ULB if any

Following actions are required by the ULB for reform implementation.

- MNP now needs to increase the pace of utilization of the skilled staff that has been inducted as part of PIU



9.2 L2 – Municipal Accounting

| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| Resolution by Government expressing commitment to establish modern municipal accounting system | 2007-08 | Completed | The state government has issued GO-4094/9-5-2008-119 ja/2008 dated-02-06-2008 regarding the implementation of accrual based accounting system from financial year 2009-10 (01-04-2009). Under URIF Plan (Urban Reform Incentive Fund), State govt has got entered in to agreement with private firms for the development of accrual based double entry account manual and an account manual was prepared and submitted to government for approval, an another software firm are being engaged for the development of double entry accounting software for the management and maintenance of municipal data. Besides, MNP has already been entered into contract with Chartered Accountant Firm to assist to introducing the new accounting system. |
| Appointment of consultants for preparing municipal financial accounting manual. | 2007-08 | Completed | Integrated Management Group (IMG) has been appointed at State level. |
| Completion and adoption of Municipal Financial Accounting Manual, in line with NMAM or otherwise | 2007-08 | In progress with delay | Municipal financial accounting manual is pending approval at the state level. |
| GO/Legislation/Modification of Municipal Finance Rules for migrating to double-entry accounting system | 2007-08 | | GO has been issued by State Govt. to migrate to Double Entry Accounting system since 1 st April 2009 |
| Training of personnel for new Accounting System | 2007-08 | Completed | State level consultant is providing continuous training and handholding to ULB personnel and FLC (Field level consultant at ULB level. Mathura ULB appointed FLC for training to account personal on day to day basis |
| Appointment of field-level consultant | 2007-08 | Completed | M/s Abhishek Garg & Associates, Mathura C.A. has been appointed |
| Notification of cut-off date for migration | 2007-08 | | GO has been issued by State Govt. to migrate to Double Entry Accounting system since 1 st April 2009 |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| Re-engineering of business processes to aligning with new system | 2007-08 | In progress | BPR at the ULB level is being done and one team has been formed to monitor the progress. |
| Completion of registers and valuation of assets and liabilities. | 2007-08 | In progress | Assets & Liabilities valuation is completed as per prescribed format |
| Drawing provisional opening balance sheet | 2007-08 | Completed | Opening Balance Sheet as on 01.04.2009 has been prepared and has been audited. |
| Adoption of Provisional opening balance sheet | 2007-08 | Completed with delay | Adopted on 21.10.2011 |
| Finalization of opening balance sheet | 2007-08 | In progress with delay | No specific information available |
| Full migration to double entry accounting system | 2011-12 | | Switched over to DEAS on 01.04.2009. as per government order but both the systems (i.e. single & double entry systems) are being maintained simultaneously as directed by the State Govt |
| Production of financial of statements as per new system | 2008-09 | In progress | Financial Statements has been prepared as per new DEAS. Balance sheet of 2009-10, 2010-11 has been given to CA for Audit. Balance Sheet for 2011-12 is under preparation.. The inventory of assets and liabilities has been prepared, valued and digitized. |
| Creation of mechanism for external audit | | Completed | CAG and local fund audit department is auditing financial statement yearly. CAG Audit is being done after every 2 years. CAG audit for year 2009-10 is complete. Beside, CA has been appointed for external audit. |
| Commencement of External Audit of Financial Statements | | Completed | M/s Kuldeep Arora & Associates is appointed for External Audit of BS and OBS of 01.04.2009 is audited and adopted by MNP board on 21.10.2011. |
| Commencement of preparation of Outcome Budgets | 2007-08 | In progress with delay | Though it is reported that outcome budget has been prepared, no verifiable documents are available to vet the same |
| Instituting of internal audit/control mechanism | | Completed | No systematic mechanism for internal audit. Local fund audit is done every year. One senior person (Assistant Accountant) has been deputed for |



| Reform Milestones | Target Year | Current Status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|---|
| | | | concurrent audit for purpose of internal audit. |
| Undertaking of credit rating. | 2007-08 | | B- by CARE Ratings for year 2008-2009 |
| Integration with Procurement system | 2009-10 | | Integrated Mechanism will be done after implementation of State level Software. DPR for State Level Software Solution has been approved (Rs. 23.61 Crore) by GoI on 20.12.2010. Tendering for appointing state implementation consultant (SIC) is in process. Integrated mechanism will be done after implementation. |
| Integration with Works contracts management | 2009-10 | | |
| Integration with Payroll and wage payments | 2009-10 | | |
| Integration with Store & inventory management | 2009-10 | | |
| Integration with User charges billing systems | 2009-10 | | |
| Integration with Tax collection system | 2009-10 | | |

9.2.1 Issues in implementation of the reform

- No mechanism for internal audit exists
- No skilled staff (even on contractual basis) exists to spearhead migration to DEAS and support accounting personnel in the process
- It is not apparent whether OBS has been adopted and finalized; no subsequent Balance Sheets have been prepared

9.2.2 Action required by state government

- Accounting Manual prepared in line with the National Accounting Manual should be approved by the State Government for its mandatory application at all the ULBs across the State of Uttar Pradesh.
- Amendments to the Municipal Act may be initiated at the State level in order to incorporate therein necessary mandatory provisions for introducing external audit of Financial Statements of all the ULBs by the office of the AG, Uttar Pradesh
- The timeline for every aspect of reforms should be defined at the State level and effective monitoring should be in place for timely achievement of target date.
- A close monitoring should be initiated at the State level through DLB in respect of implementation of integrated Financial Management System. Awareness at the State level is necessary for module for integrated Financial Management System that has already been installed in some of the ULBs
- The ULBs lack necessary knowledge in implementing the outcome budgetary system. This system envisages a multi-year budget system considering the priorities set by the stakeholders. It is a performance measurement tool that helps in better service delivery; decision-making; evaluation of programme performance and results; communication of programme goals; and



improvement in programme effectiveness. State-level initiatives should be taken to conduct a hand-holding exercise for introduction of outcome budget at different ULBs

9.2.3 Action required by ULB if any

- Training and capacity building initiatives need close monitoring to ensure that staff is becoming self reliant
- Internal audit mechanisms need to be institutionalised and formalised.

9.3 L3 – Property Tax

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|------------------------|--|
| Property Tax | | | |
| Enhancing Coverage to all properties | No timelines indicated | In progress | MNP informs that nearly all the properties are under tax net, Properties identified in GIS survey are under construction and will be brought under the tax net eventually. |
| Elimination of exemptions | 2007-08 | In progress with delay | Mathura local body is constituted under a different act and hence is permitted to allow exemptions Since Mathura is a town of religious importance, there are several religious properties which are exempted and it is currently difficult to roll back exemptions |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Setting up a team to draft legislation | No timelines indicated | Not initiated | Self assessment system has not been implemented. The current method is very discretionary in nature and is vulnerable to manipulation and corrupt practice. However, Unit-Area rates have been finalized on the basis of Circle Rates and will be implemented within 2-3 months. |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Stakeholder Consultations | | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Preparation of Draft Legislation | | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Enactment and Notification of Legislation | | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration | | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------|------------------------|---|
| – Implementation by Municipalities | | | |
| Setting Up non-discretionary method for PT | No timelines indicated | Not initiated | Mathura continues to practice a discretionary method of levying PT. The current mechanism is very vulnerable to manipulation and corrupt practices. |
| <ul style="list-style-type: none"> ▪ GIS usage | 2007-10 | | |
| <ul style="list-style-type: none"> ▪ GIS - Selection of Consultant | | Completed | GIS survey has been completed; base maps and property IDs have also been generated. However, the digitalisation of ground truthing data is yet to be completed, and there is some lack of consensus in the number of properties enumerated. |
| <ul style="list-style-type: none"> ▪ GIS – Preparation of digital maps | | Completed | |
| <ul style="list-style-type: none"> ▪ GIS – Administration of PT using GIS | | Not initiated | |
| Taxpayer Education Programme – Preparation of Ready Reckoner | 2007-08 | In progress with delay | Ready Reckoner is available on the website. A new Ready reckoner will be ready after implementation of unit area based method of PT. |
| Taxpayer Education Programme – Camps For Doubts & Form Filling | 2007-08 | Completed | Camps are organized in wards and doubts/clarifications are made |
| Taxpayer Education Programme – Website on PT issues/FAQs | 2007-08 | In progress with delay | Bills can be viewed online. Payments options not available online |
| Establishing of Dispute Resolution Mechanism | | | Case referred to small causes courts – however, ULB has not quite taken up the matter of pursuing arrears so far. |
| Rewarding Honest Tax Payer | | Completed | 10% rebate if taxes are paid before September |
| Achievement of defined % coverage ratio in PT* | 2009-10 | Completed | 97% coverage claimed as per the re-enumerated properties. Current number of assessed properties is 78087 while the total estimated number of properties is 80332. |
| Achievement of defined % collection ratio in PT* | 2009-10 | Completed with delay | For 2013-14, total demand was Rs. 361.5 lakhs and collection was Rs. 252.7 lakhs indicating a collection efficiency of 70%. For 2012-13, total demand was Rs. 3.51 crores and total collection was Rs. 3.19 crores |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------------|--|
| | | | indicating a collection efficiency of 92% As on Sep 2013, MNN has collected Rs. 1.69 crores as against the total demand of Rs. 3.61 crores. |
| Improving arrear collection ($\leq 10\%$)* | 2010-11 | Completed with delay | For 2012-13, Arrear demand was Rs. 29.14 lakhs; out of which Rs. 24.19 lakhs was collected. Arrears are 9.8% of current demand |

9.3.1 Issues in implementation of the reform

- Till the advent of the Property Tax MIS, the assessment was completely discretionary and the ULB staff can exercise discretion in determining the ARV of any property. As on date the algorithm being used to determine ARV is based on unit area – but the ARVs themselves are hardwired into the system – leaving them discretionary.
- The PT is charged as a percentage of ARV. Currently the PT is calculated at 7.5% of ARV while Water Tax is calculated at 15% of ARV. This is a peculiar situation that is seen in a Nagar Parishads only.
- It is believed that water tax is being mixed up with water charges.

9.3.2 Action required by state government

- The computation of property tax should be made uniform for all Nagar Parishads as well as Nagar Nigams – and revert to ARV being computed out of just two variables – land value and cost of construction – neither of which are determined at ULB level.
- Tax accounts of the ULB must be scrutinised once at the State level to ensure that the same computation algorithm is being used – readout of some property tax bills should suffice.
- The State Government may wish to deliberate on the issue of exemptions – since the marginal exemptions being used elsewhere assume a larger role in Mathura – widows, religious establishments etc.
- As discussed previously, the State Government needs to take a call on which of the two systems would eventually be retained.

9.3.3 Action required by ULB if any

- Reconciliation of the property numbers and issue of PT bills for at least two rounds prior to attempting to switch to self assessment; since arrear collection ratio is low – self assessment at the outset may lead to revenue leakages and continuance of discretionary practices.
- This is possible only when demand is generated in the form of a bill – so this further reinforces delaying self assessment.



9.4 L4 – User Charges

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---|----------------|---|
| User charges | | | |
| Formulate and adopt a policy on User Charges including targeting of subsidies, full realization of O&M costs | 6 months from signing of MoA | Not initiated | No policy has been formulated. Policy formulation is project specific rather than service specific |
| Setting up of body for recommending UC structure | 2007-08 | Not initiated | MNP informs that a Body has been set up. However further details were not provided. |
| Establishment of Proper Accounting System | 2007-08 | Not initiated | DEAS is not yet implemented and hence no separate accounting for any of the services exists |
| <ul style="list-style-type: none"> ▪ Solid Waste Management | | | |
| <ul style="list-style-type: none"> ▪ Public transport | This service is not in the purview of the ULB | | |
| Achieving new service standards | 2009-11 | Not initiated | <p>141 LPCD over 4 to 6 hours, which is not plausible.</p> <p>25% coverage under sewerage – this is tricky considering the morphology of the town. It is not clear how much can technically be achieved. MNP informs that service standards will improve when JNNURM & YAP-II works will be completed.</p> <p>For SWM, SPML is the concessionaire for the PPP project. The door-to door collection service has started in 10 wards.</p> |
| <ul style="list-style-type: none"> ▪ Water supply – LPCD | | | |
| <ul style="list-style-type: none"> ▪ Waste supply – Hours of supply | | | |
| <ul style="list-style-type: none"> ▪ Water supply – Non-revenue water | | | |
| <ul style="list-style-type: none"> ▪ Sewerage - % of population covered | | | |
| <ul style="list-style-type: none"> ▪ Sewerage - % of sewerage | | | |
| <ul style="list-style-type: none"> ▪ Solid Waste Management | | | |
| <ul style="list-style-type: none"> ▪ Public transport | | | |
| Achieving new UC structure | 2008-09 | Not initiated | <p>The ULB is still mixed up between tax and tariff – with both terms being used interchangeably.</p> <p>As of now the ULB claims to recover 101% costs. But electricity charges are not included in this as they are paid directly at the state level through SFC grants.</p> <p>User charges for SWM will be soon charged under the PPP project.</p> |
| <ul style="list-style-type: none"> ▪ Water Supply | | | |
| <ul style="list-style-type: none"> ▪ Sewerage | | | |
| <ul style="list-style-type: none"> ▪ Solid waste management | | | |
| <ul style="list-style-type: none"> ▪ Public transport | | | |
| <ul style="list-style-type: none"> ▪ Health services | | | |
| Achieving Volume based tariff & 100% metering | 2011-12 | In progress | Metering to be carried out under JNNURM projects; volumetric tariff charging is yet to be decided upon |
| Max. Target for non-revenue water | 2011-12 | Not initiated | 21% |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|--|
| Max. Target for Unaccounted water | | | No systematic scientific studies to identify leakages and achieving target levels of NRW and UFW No targets shared |
| Study on quantification & impact of subsidies | 2007-08 | Not initiated | MNP informs that a study and quantification of user charges have been done in which diversified rates for general, commercial and slum areas have been proposed which are under consideration. |
| Tabling & Approval of study on subsidies by Municipality | 2008-09 | | |
| <ul style="list-style-type: none"> ▪ Achieving of Full Recovery in OM from UC-WS* | 2009-10 | Not initiated | For 2013-14, for water supply, the total O & M cost was Rs. 273.9 lakhs and cost recovery was Rs. 192.6 lakhs indicating a collection efficiency of 70%. SWM operator has ceased operations |
| <ul style="list-style-type: none"> ▪ Achieving of Full Recovery in OM from UC-Sewerage* | | | |
| <ul style="list-style-type: none"> ▪ Achieving of Full Recovery in OM from UC-SWM* | | | |
| <ul style="list-style-type: none"> ▪ Achieving of Full Recovery in OM from UC-Public Transport | | | |

9.4.1 Issues in implementation of the reform

Following issues need to be addressed for implementation of User Charges reforms.

- Water Tax is rated at 15% of ARV. Sewerage tax is not charged on account of the system being all but missing. This is interesting since it is apparently higher than property tax. However, background research shows that this is indeed the system followed at most Nagar Parishads.
- As per the statement issued by Jalkal, collection is about 101% - however, without a formal system of accounting of costs, this figure is hard to substantiate.
- Non-formation of ward committees is a serious impediment in reaching out to the public at large to seek support for infrastructure projects and build consensus on levy of user charges.

9.4.2 Action required by state government

Following actions are required by the State Government for reform implementation.

- A separate study for computation of real costs and revenue collection should be commissioned.
- Since the Jalkal entity is now being mooted as a service provider, its business model should factor such costs and revenue projections.
- The State Government should clearly advise the ULB on the difference between a tax and a user charge. One is levied on a very basis of 'being the local authority', and the other can be levied only if there is an agreement to buy/ sell such service between a provider and a subscriber.
- The state needs to constitute a committee for formulation of User Charge structure for volumetric metering. Based on recommendation of the committee, a policy on user charges



should be formulated which should include proper targeting of subsidies, if any, for all services and ensuring maximum recovery of O&M cost by the end of the Mission period.

- Typically, meters have not been known to last beyond a few cycles, and frequent need of replacement will prove costly for either party – the service provider as well as the consumer.
- A large number of consumers are NOT primary subscribers to piped supply and use bore-wells and handpumps instead – the ground water level being somewhat better than surrounding areas on account of sub-soil riverine permeation
- Form an inter-governmental mechanism for coordination and review of water supply projects. It is required as multiple agencies are involved in User Charges reform.

9.4.3 Action required by ULB if any

- Initiate the accounting reforms in Jalkal.
- Initiate the study on quantification & impact of subsidies.
- Liaise with Jal Nigam for completion of JNNURM projects and installation of water meters.
- Commence tax payer’s education and awareness program on payment of user charges based on volumetric tariff. Communicate the benefits of paying taxes to lower the public resistance.

9.5 L3 – Internal Earmarking of Fund for Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| Internal earmarking of funds for services to urban poor | | | |
| Reform in Accounting & Budgeting Codes to identify income and expenditure for poor | 2007-08 | Not initiated | No separate codes seem to have been put together for the poor |
| 21 Creation of separate Fund in Accounting System for Services Of Poor | | Not initiated | MNP informs that a separate Fund has been established. No supporting documents available. |
| Amendments in Accounting Rules for Services Of Poor | | Not initiated | No specific information available. |
| Max. Total Revenue Expenditure Target for Services Of Poor | 2009 (20%) | In progress with delay | 25 % of development budget Rs. 200 Lacs has been allocated For 2012-13. |
| Max. OWN Revenue Expenditure Target for Services Of Poor | 2009 (22%) | | |
| Max. CAPITAL Expenditure Target for Services Of Poor | 2009 (28%) | | |

9.5.1 Issues in implementation of the reform

- This reform is meant to be done when there is a focused plan of action for the urban poor – vis-à-vis urban poverty alleviation. However, as on date, a large section of pro-poor capital and revenue expenditure is not incurred by the ULB but by DUDA, under a completely different ownership and budget code. This makes it impossible to reconcile the same.



- In the absence of a proper plan of action, a separate service or budget line can also not be envisioned, and hence even present accounting codes cannot be adopted for this purpose.
- While a number of resources claim that the establishment of a dedicated fund for urban poor has been set up, this fund does not reflect in the list of Municipal funds or other funds as provisioned in the Act.
- Only 25% of development budget has been allocated for the poor – however, in the absence of a specific fund rule, it is almost impossible to track.
- There is no planned expenditure for earmarked fund. The fund has been utilised on ad hoc basis in absence of interdepartmental consultations for need assessment.

9.5.2 Action required by state government

- Formulate Rules for governing the Fund, Operating the Fund, including rules for transfer of resources into the Fund for ‘Services to Poor’
- The State Government needs to keep constant vigil on the compliance of such reforms. The State Government could also conduct site inspections to observe the progress of reform as per the JnNURM standards
- The gross fund allocation should be restricted to one entity only – the ULB. The SUDA/ DUDA is an implementing agency which may use such funds for and on behalf of the ULB. This divergence must be ended as soon as possible.
- State needs to give greater attention on training smaller ULBs (nagar parishad and nagar palika) on some of the complex reforms. MNP has not understood the reform for earmarking with clarity and needs handholding from the state.

9.5.3 Action required by ULB if any

- A systematic plan for urban poverty reduction is to precede the earmarking of funds for the urban poor.
- Target the revenue expenditure as per the milestone specified in MOA
- Create separate heads of revenue and capital expenditure in municipal budgeting system to measure quantum of expenditure made on such services.
- Study how this reform has been implemented in other better performing ULBs in the State and build capacity of accounting staff for this reform implementation.

9.6 L3 – Basic Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative progress till March 2014 |
|--|-------------|------------------------|---|
| Internal earmarking of funds for services to urban poor | | | |
| Survey of Poor HH | 2007-08 | In progress with delay | DUDA has conducted household survey for identification of poor for allotment of houses constructed under Manyavar Sh. Kanshiram Avas Yojna Ph – I, and under progress for Ph- II & III. |



| Reform milestones | Target year | Current status | Cumulative progress till March 2014 |
|---|-------------|----------------|--|
| Database creation for targeting HH level schemes | | | Status of database and analytical outputs not indicated |
| Prioritisation of Poor Settlements by participation method | | | Reported achieved; however, no verifiable document/data has been shared |
| Max. Achievement of HH level piped WS* | 2007-12 | | 6 hours per day |
| Max. Achievement of Public Taps (defined hours)* | | | 6 hours per day |
| Max. Achievement of Public Taps (def. dist from HH)* | | | 100 mts. |
| Max. Achievement of Hand-pumps/Tube-wells* | | | 1 hand-pump per 250 persons |
| Max. Achievement of Water Tanker Supply* | | | Response time is 1 hour |
| Max. Achievement of HH level toilets* | | | No information |
| Max. Achievement of defined disposal sys for HH toilets* | | | Soak pit and sewer |
| Max. Achievement of Comm. Toilet Seats* | | | 80%. No supporting data provided. |
| Max. Achievement of Avg. dist of Community Toilets from HH* | | | 150 to 200 mts |
| Max. Achievement of def. disposal Sys for Community Toilets* | | | Soak pit and sewer |
| Max. Achievement of Underprivileged Facilities in Community Toilets | | | 10 No of Community toilets have been constructed for use of urban poor. |
| Max. Achievement in Pucca Housing | | | <p>80% housing is there. Houses have been constructed under Manaywar Kanshiram Yojna.</p> <p>2244 Houses have been constructed by DUDA under B.S.U.P.</p> <p>Houses have also been constructed under Manyawar Sri Kanshiramji Shahri Garib Awas Yojna.</p> <p>1914 Poor People getting Rs. 400/- per month under Mukhyamantri Mahamaya Arthik Madad Yojna.</p> |



| Reform milestones | Target year | Current status | Cumulative progress till March 2014 |
|---|-------------|----------------|---|
| Max. Achievement in Night Shelters for homeless | | | 2 Night shelters are available. Mostly temporary shelters established during the winter season. Special shelters are established during mela etc in Mathura being religiousplace. |
| Def. Achievement in Street Sweeping | | | Twice a week |
| Def. Achievement in Waste Collection | | | 150 to 200 mts in all slum areas |
| Def. Achievement in lifting waste from Community Bins | | | Daily |
| Def. Achievement in HH access to Pucca Roads | | | 70% of slum HHs have access to pucca roads |
| Def. Achievement in Cluster access to Pucca Roads | | | 85% achievement has been reported. |
| Def. Achievement in HH access to covered SW drains | | | Information not specific. Depends on JNNURM project completion |
| Def. Achievement in Street illumination | | | 96% slum areas have been covered |
| Def. Achievement in Anganwadi/Creche | | | One aganwadi kendra per 1000 thousands population. 350 kendra are there in total. |
| Def. Achievement in Community Halls | | | 7 Community halls are available |
| Def. Achievement in Preventive Health Care (advisory) | | | Health Dept, GoUP looks after this; no role of MNPP |
| Def. Achievement in Curative HealthCare – reliability | | | |
| Def. Achievement in Curative HealthCare – distance | | | |
| Def. Achievement in Pri.Edu – Enrolment | | | 90% enrolment rate |
| Def. Achievement in Pri.Edu – Drop Out | | | 10% dropout rate |
| Def. Achievement in Pri.Edu – distance | | | 50 to 500 mts |
| Support for livelihoods | | Completed | |



| Reform milestones | Target year | Current status | Cumulative progress till March 2014 |
|--|-------------|----------------|---|
| Skill development training (Persons trained who pursue related occupation) | 2011-12 | Completed | 689 people got trained by DUDA in 2010-2011 and 2011-12 proposal has been sent. |
| Micro-credit (Access to participate in micro-credit group in the community.) | 2011-12 | Completed | 30 T.C. group in 2010-11 and 10 TCG in 2011-12 |

9.6.1 Issues in implementation of the reform

Issues in implementation of this reform are listed below.

- Data availability with MNPP is also limited
- Understanding of the reform agenda is also extremely limited

9.6.2 Action required by state government

- The state government needs to constantly monitor the implementation of reforms in MNP
- The state government should also consider starting capacity building programmes for the ULB officials
- The state government should pressurize the MNP to induct a PIU at the earliest

9.6.3 Action required by ULB if any

Following actions are required by the ULB for reform implementation.

- Coordinate with DUDA to ensure that HH survey database is completed and analyzed at the earliest.
- Develop a clear understanding of the reform agenda requirements in order to plan for the same



10. Appraisal of ULB Level Reforms – Meerut

10.1 L1 – E-Governance

| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|---|-------------|------------------------|--|
| E – Governance | | | |
| Appointment of State-level Technology Consultant as State Technology Advisor | 2006-07 | Completed with delay | IIT Kanpur prepared state level DPR. Its execution is being done by NIC. |
| Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP | 2007-08 | | As per the revised guidelines of GOI the DPR of Meerut is prepared by IIT Kanpur. It consists of Hardware Infrastructure, Software customization and capacity building. DPR (Rs 145.18 Lacs) approved by GOI on 8 th Nov' 2011. |
| Assessment of MEDD against National E-Governance Standards | 2007-08 | Completed | MEDD is as per standards |
| Finalisation of Municipal E-Governance implementation action plan for the city | 2007-08 | Completed | E-Governance implementation action plan is prepared. As per the action plan various software modules have been introduced and further action plan is there in DPR. |
| Undertaking Business Process Reengineering (BPR) Prior to migration to E-Governance systems | 2007-08 | In progress with delay | This is technically the responsibility of the State as a parallel exercise that is to be commenced as soon as the System Requirement Study and System Design Documents are completed and accepted by the State, and made part of the Municipal service code or procedural code. This is still pending. At the ULB level data entry, data digitization, change in staffing pattern, allotment of works among officials is being done as part of BPR. |
| Appointment of Software consultant(s) / agency for development, deployment and training | 2007-08 | Completed | M/s UP Electronics had been appointed as Software Consultant. |
| Exploring PPP option for different E-Governance services | 2007-08 | In progress | Stated to be part of the state level DPR |
| Implementation of E-Governance modules | 2007-08 | In progress | Currently on standalone basis |



| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|-------------|------------------------|---|
| | | | <p>Tally 7.2 being used for accounts, cash deposits, bill and invoice printing</p> <p>Birth & Death Registration Systems in use</p> <p>Third party SMS based grievance recording and number assignment system - back end pendency tracking not used</p> |
| <ul style="list-style-type: none"> Property tax | 2007-08 | Completed | <p>Property Tax Services are being provided online. Bills are available on website www.meerutnagarnigam.in</p> <p>Dues can be deposited online using ones Debit or Credit Card.</p> <p>Nagar Nigam main office is connected with Kankarkheda and Shashtrinagar zonal offices through lease lines. At all three offices online cash deposit counters are functional, as soon as one deposit his dues it directly gets credit in tax account.</p> <p>Introduction of swipe machine at cash counter is the latest development. Cashless tax deposit is now possible through spot billing machines procured by MNN at zero cost through IDBI bank.</p> |
| <ul style="list-style-type: none"> Accounting | 2007-08 | In progress with delay | Tally 9.2 in use, but only as a back-end tool |
| <ul style="list-style-type: none"> Water Supply and Other Utilities | 2007-08 | In progress with delay | Currently water billing is computerized |
| <ul style="list-style-type: none"> Birth & Death Registration | 2007-08 | Completed | Offline computerized facility available. Online integration is pending |
| <ul style="list-style-type: none"> Citizens' Grievance Monitoring | 2007-08 | Completed | <p>Online Citizen Grievance facility is available on www.meerutnagarnigam.in.</p> <p>In addition to this SMS based grievance monitoring using toll free number (18001803090) is also available</p> |
| <ul style="list-style-type: none"> Personnel Management System | 2008-09 | Completed | <p>PMS software is working. Salary bills and employee records are computerized. In addition to it, a centralized PIS system is there on directorate's website i.e www.localbodies.up.nic.in in which the data of employees of Nagar Nigam is entered.</p> <p>ECS is yet to be implemented.</p> |
| Procurement and Monitoring of Projects | | | |
| <ul style="list-style-type: none"> E – Procurement | 2007-08 | In progress with delay | All tender notices published on website www.meerutnagarnigam.in . |



| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|------------------------|------------------------|--|
| | | | Through state E-procurement portal integrated E-procurement service will be started soon. |
| <ul style="list-style-type: none"> Project/Award Works | | | Project/Award Works is computerized. Software applications developed to manage the projects records. |
| Building Plan Approval | 2011-12 | In progress with delay | Software for NOC is there. Integrated solution will be implemented after execution of state level solutions which is in progress and being developed by NIC. |
| Health Programmes | | | |
| <ul style="list-style-type: none"> Licenses | No timelines indicated | In progress with delay | With respect to trade licenses, software is there. Integration proposed as part of DPR. |
| <ul style="list-style-type: none"> Solid Waste Management | | | SWM Software is functional and being used for user charges and other SWM records by A to Z ltd. |

10.1.1 Issues in implementation of the reform

- E-Governance implementation has progressed well from the last appraisal cycle in Meerut.
- Integration of E-Governance modules is now dependent on the implementation of the state level DPR
- Recent transfer of Jal Sansthan into the MNN leading to non development of Water supply & utility modules
- State level impetus is required for development of state wide E-Procurement system and Building Plan approval system.
- Building Plan approval system also requires state level initiative as it falls under the purview of Development Authority for each mission cities.
- Existing data has been forwarded for data migration to new integrated state level E-Governance system.

10.1.2 Action required by state government

- Evolve a mechanism or action plan for data migration to E-Governance modules to be developed once DPR is approved. Such action plan is required at state level as all the ULBs will face this issue.
- Form an inter-governmental mechanism for consultation and standardisation. It is required as many state government agencies are involved in expediting similar task using the incompatible file formats and application standards. For e.g. Roles and responsibility of Development Authority involves approval of building plans. However, such plans also required NOC from the MNN. Hence, work flow needs to be discussed among the agencies involved and accordingly such modules would be prepared.
- State level initiatives are required to implement the full E-procurement system and Building Plan Approval System.



- Create post(s) of personnel required to man the e-governance solutions. Presently contractual post of IT personnel is created in PMU. However, permanent posting is required for handholding, or factored into performance specifications of a PPP contract.
- Separate specifications for system maintenance, data integrity and front-end management are to be addressed.

10.1.3 Action required by ULB if any

- Prepare MNN level action plan for data migration to E-Governance modules to be developed once DPR is approved.
- Form a mechanism for interface with Jalkal systems with regard to accounting software.

10.2 L2 – Municipal Accounting

| Reform Milestones | Target Year | Current Status | Cumulative Progress till March 2014 |
|--|-------------|------------------------|--|
| Resolution by Government expressing commitment to establish modern municipal accounting system | 2007-08 | Completed | GoUP has entered into a tripartite agreement after the passing the resolution to establish modern municipal accounting system. |
| Appointment of consultants for preparing municipal financial accounting manual. | 2007-08 | Completed | Integrated Management Group (IMG) has been appointed at State level. |
| Completion and adoption of Municipal Financial Accounting Manual, in line with NMAM or otherwise | 2007-08 | In progress with delay | Municipal financial accounting manual is pending approval at the state level. |
| GO/Legislation/Modification of Municipal Finance Rules for migrating to double-entry accounting system | 2007-08 | | GO has been issued by State Govt. to migrate to Double Entry Accounting system since 1 st April 2008 |
| Training of personnel for new Accounting System | 2007-08 | Completed | Training of staff is undertaken time to time at directorate level and at RCUES Lucknow. At NNM level regular in-house training are organized |
| Appointment of field-level consultant | 2007-08 | Completed | M/s Sandeep & Gupta Associated is appointed as field level consultant |
| Notification of cut-off date for migration | 2007-08 | | GO has been issued by State Govt. to migrate to Double Entry Accounting system since 1 st April 2009 |



| Reform Milestones | Target Year | Current Status | Cumulative Progress till March 2014 |
|--|-------------|------------------------|---|
| Re-engineering of business processes to aligning with new system | 2007-08 | In progress | BPR done by reshuffling in staffing pattern, training and modifying the movement of files as per new system |
| Completion of registers and valuation of assets and liabilities. | 2007-08 | In progress | MNN has prepared registers & valuation of Assets & Liabilities. |
| Drawing provisional opening balance sheet | 2007-08 | Completed | Opening Balance Sheet has been prepared and has been audited. |
| Adoption of Provisional opening balance sheet | 2007-08 | In progress with delay | OBS has been adopted by the Board |
| Finalization of opening balance sheet | 2007-08 | In progress with delay | OBS has been finalized |
| Full migration to double entry accounting system | 2011-12 | | Switched over to DEAS on 01.04.2009. as per government order but both the systems (i.e. single & double entry systems) are being maintained simultaneously as directed by the State Govt |
| Production of financial of statements as per new system | 2008-09 | In progress | Financial Statements are being produced as per new system. Balance sheet of FY 2010-11 and 2011-12 has been finalised and is under preparation for 2012-13. |
| Creation of mechanism for external audit | | Completed | Mechanisms already exist in form of CAG audit and Local Fund audit. External Chartered Accounting firm has also been appointed for audit of OBS and financial statements |
| Commencement of External Audit of Financial Statements | | Completed | Audits being carried out by external CA firms. |
| Commencement of preparation of Outcome Budgets | 2007-08 | In progress with delay | Preparation of Outcome Budget is in progress |
| Instituting of internal audit/control mechanism | | In progress with delay | MNLP carries out transaction audits |



| Reform Milestones | Target Year | Current Status | Cumulative Progress till March 2014 |
|---|-------------|----------------|---|
| Undertaking of credit rating. | 2007-08 | | Rating of BB |
| Integration with Procurement system | 2009-10 | | Partial integration through DEAS is there. Full integration is part of e-governance project as per MEDD. Computerized integrated user charge collection is there for waterworks. Billing and collection of SWM is also partially integrated. |
| Integration with Works contracts management | 2009-10 | | |
| Integration with Payroll and wage payments | 2009-10 | | |
| Integration with Store & inventory management | 2009-10 | | |
| Integration with User charges billing systems | 2009-10 | | |
| Integration with Tax collection system | 2009-10 | | |

10.2.1 Issues in implementation of the reform

- Production of financial statements for subsequent years will be a critical area for MNN to focus upon
- There is some ambiguity regarding the role of the MNLP, insofar as the process flow to be followed – what file goes to this position, when and for what.

10.2.2 Action required by state government

- The Municipal Accounting Manual prepared in line with the National Accounting Manual should be approved by the State Government needs being finalised and officially notified for application across all ULBs.
- Amendments to the Municipal Act may be initiated at the State level in order to incorporate therein necessary mandatory provisions for introducing external audit of Financial Statements of all the ULBs by the office of the AG, Uttar Pradesh, and that such audit must be performed on account statements prepared using DEAS.
- The timeline for every aspect of reforms should be defined at the State level and effective monitoring should be in place for timely achievement of target date.



- The sanction of SFC grant and accord of annual capital and revenue budgets to the ULB may be made contingent to audit clearance, preferential allocation being accorded to ULBs that comply with DEAS.
- A close monitoring should be initiated at the State level through DLB in respect of implementation of integrated Financial Management System. Awareness at the State level is necessary for module for integrated Financial Management System that has already been installed in some of the ULBs

10.2.3 Action required by ULB if any

- Chart out an action plan for integration of other modules with accounting module

10.3 L3 – Property Tax

| Reform milestones | Target year | Current status | Cumulative progress till March 2014 |
|--|-------------|--|---|
| Property Tax | | | |
| Enhancing Coverage to all properties | 2008-09 | In progress with delay | 278740 properties covered under the PT with a coverage ratio of 97% |
| Elimination of exemptions | 2007-08 | Completed for residential In progress with delay for commercial | Self assessment for residential properties already being implemented. Self assessment for commercial properties is under deliberation at state level |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Setting up a team to draft legislation | | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Stakeholder Consultations | | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Preparation of Draft Legislation | | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Enactment and Notification of Legislation | | | |
| <ul style="list-style-type: none"> ▪ Self Assessment System Migration – Implementation by Municipalities | | | |
| Setting Up non-discretionary method for PT | 2006-10 | Completed | Non-discretionary method already in place |
| <ul style="list-style-type: none"> ▪ GIS - Selection of Consultant | 2007-10 | Completed | Database of entire 80 wards is completed. Reconciliation of database as per the previous record is being done. |
| <ul style="list-style-type: none"> ▪ GIS – Preparation of digital maps | | | |



| Reform milestones | Target year | Current status | Cumulative progress till March 2014 |
|--|-------------|----------------|---|
| <ul style="list-style-type: none"> GIS – Administration of PT using GIS | | | |
| Next/Anticipated revision of guidance values | | | Guidance values are to be revised every 2 years |
| Taxpayer Education Programme – Preparation of Ready Reckoner | | Completed | Ready Recknor prepared. Self-assessment booklet contains all details and information is also available on NNM website |
| Taxpayer Education Programme – Camps For Doubts & Form Filling | | Completed | Yes, handholding support to taxpayers is provided. |
| Taxpayer Education Programme – Website on PT issues/FAQs | 2007-08 | Completed | Web-based interface available for payment of property tax; Tax calculator is there on website. |
| Establishing of Dispute Resolution Mechanism | 2008-09 | | Appeals are made in courts for small causes. |
| Rewarding Honest Tax Payer | 2009-10 | | 20% rebate is offered for timely payment |
| Achievement of defined % coverage ratio in PT* | 2010-11 | Completed | Coverage ratio reported is 97% for 2012-13 |
| Achievement of defined % collection ratio in PT* | | Completed | For 2013-14, total demand was Rs. 2152 lakhs and collection was Rs. 1752 lakhs indicating a collection efficiency of 81%. For 2012-13, MNN has earlier reported that current demand was Rs. 17.66 crores and collection was Rs. 16.91crores indicating a collection efficiency of 96%. |
| Improving arrear collection ($\leq 10\%$)* | 2010-11 | Not Completed | For 2012-13, arrear demand was Rs. 6.52crores and collection was Rs. 3.82crores indicating a collection efficiency of 59%. Arrears as % of current demand are at 20% |

10.3.1 Issues in implementation of the reform

- Self-Assessment system (SAS) for residential properties has been introduced well in advance through appropriate amendment in the Nagar Nigam Act, 1959. Such initiative has not been taken for commercial properties.



10.3.2 Action required by state government

Constitute a committee for introduction of self assessment system for commercial buildings and recommendation of committee Introduced appropriate amendment in Municipal Act for self assessment of commercial building.

10.4 L3 – User Charges

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|------------------------------------|----------------|--|
| User charges | | | |
| Setting up of body for recommending UC structure | 2007-08 | Not initiated | No separate body has been constituted for recommending UC structure |
| Establishment of Proper Accounting System | 2007-08 | In progress | User charges for SWM are now being collected from almost all 80 wards from residential properties |
| <ul style="list-style-type: none"> ▪ Solid Waste Management | | | |
| <ul style="list-style-type: none"> ▪ Public transport | This function is not with the ULBs | | |
| Achieving new service standards | 2007-08 | In progress | |
| <ul style="list-style-type: none"> ▪ Water supply – LPCD | | | Existing level of supply was 84.8 lpcd and target for year 2011-12 as per Service Level Benchmarking is 100 lpcd. This has been already achieved, currently 104 lpcd is being supplied |
| <ul style="list-style-type: none"> ▪ Waste supply – Hours of supply | | | Currently 9 hours of supply; target is 9 hours |
| <ul style="list-style-type: none"> ▪ Water supply – Non-revenue water | | | NRW has been reduced from 43.2% to 37% |
| <ul style="list-style-type: none"> ▪ Sewerage - % of population covered | | | Currently, 12.5% of population is covered; target is 15% |
| <ul style="list-style-type: none"> ▪ Sewerage - % of sewerage | | | No specific information |
| <ul style="list-style-type: none"> ▪ Solid Waste Management | | | SMW will be handled by the private sector operator |
| <ul style="list-style-type: none"> ▪ Public transport | | | NA |
| Achieving new UC structure | 2010-11 | In progress | |
| <ul style="list-style-type: none"> ▪ Water Supply | | | Volumetric tariff for water supply will be levied after completion of JNNURM project. |
| <ul style="list-style-type: none"> ▪ Sewerage | | | Sewer tax is levied at 2.5% of ARV |
| <ul style="list-style-type: none"> ▪ Solid waste management | | | Rs. 30 per household has been fixed |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--|------------------------|--|
| Achieving Volume based tariff & 100% metering | 2010-11 | Not initiated | Hinges upon completion of JNNURM water infrastructure related projects. |
| Max. Target for non-revenue water | 2009-10 | In progress | NRW has been reduced from 43.2% to 37%. Target for year 2011-12 as per Service Level Benchmarking is 38.2% |
| Max. Target for Unaccounted water | | In progress | Currently reported at 4.7% |
| Achieving new Service Standards in Sewerage (%Population) | | | For year ending 31st March 2011 is was 12.5% and Target for year 2011-12 as per Service Level Benchmarking is 15%. |
| Achieving new Service Standards in SWM (system for 500gm per capita per day waste generation) | | | After completion of SWM Scheme. |
| Study on quantification & impact of subsidies | 2007-08 | Not initiated | No such study has been undertaken |
| Tabling & Approval of study on subsidies by Municipality | 2008-09 | | |
| Achieving of Full Recovery in OM from UC-WS* | 2009-10 | In progress with delay | For 2013-14, O & M expenditure was Rs. 16.7 crores and collection was Rs. 4 crores indicating cost recovery of 24%. MNN has shown an income from user charges and taxes at Rs. 9.36 crores; while the expenditure incurred on O&M (including electricity charges) accounts to Rs. 20.10 crores. Thus, showing a cost recovery of only 47% |
| Achieving of Full Recovery in OM from UC-Sewerage* | 2009-10 (70%) | In progress with delay | Hinges upon completion of JNNURM projects |
| Achieving of Full Recovery in OM from UC-SWM* | 2009-10 (30%) | In progress with delay | User charges levied for SWM in the current financial year. A2Z has stopped its work from 23.07.2012 due to payment issues; the matter is now claimed to be sub-judice. |
| Achieving of Full Recovery in OM from UC-Public Transport | This function is not in the purview of the ULB | | |

10.4.1 Issues in implementation of the reform

- In the absence of any study on quantification and impact of subsidies, it is difficult to real costs of provision; formalise a new tariff structures for WSS and undertake a pro-poor tariff rationalisation plan.



- Integration of Jalkal and MNN needs to be monitored and expedited to ensure comfort of working jointly on projects and initiatives for the overall improvement in service delivery.

10.4.2 Action required by state government

- A separate study for computation of real costs and revenue collection should be commissioned.
- Since the Jalkal entity is now being mooted as a service provider, its business model should factor such costs and revenue projections.
- The State Government should clearly advise the ULB on the difference between a tax and a user charge. One is levied on a very basis of 'being the local authority', and the other can be levied only if there is an agreement to buy/ sell such service between a provider and a subscriber.

10.4.3 Action required by ULB if any

- The work of the concessionaire needs close monitoring to ensure efficient delivery of services.
- Political consensus and IEC activities need to be undertaken to build awareness on the need for user charges, especially water supply.

10.5 L3 – Internal Earmarking of Funds for Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|----------------|--|
| Internal earmarking of funds for services to urban poor | | | |
| Reform in Accounting & Budgeting Codes to identify income and expenditure for poor | 2007-08 | Not initiated | No separate codes have been adopted |
| Creation of separate Fund in Accounting System for Services Of Poor | 2007-08 | Not initiated | No separate fund has been set up |
| Amendments in Accounting Rules for Services Of Poor | 2007-08 | Not initiated | No amendments sought to the accounting rules |
| Max. Total Revenue Expenditure Target for Services Of Poor | 2009-10 (12%) | Not initiated | 25% of development budget |
| Max. OWN Revenue Expenditure Target for Services Of Poor | 2009-10 (20%) | | |
| Max. CAPITAL Revenue Expenditure Target for Services Of Poor | 2009-10 (20%) | | |



10.5.1 Issues in implementation of the reform

- While a number of resources claim that the establishment of a dedicated fund for urban poor has been set up, this fund does not reflect in the list of Municipal funds or other funds as provisioned in the Act.

10.5.2 Action required by state government

- Formulate Rules for governing the Fund, Operating the Fund, including rules for transfer of resources into the Fund for ‘Services to Poor’
- The State Government needs to keep constant vigil on the compliance of such reforms. The State Government could also conduct site inspections to observe the progress of reform as per the JnNURM standards
- The gross fund allocation should be restricted to one entity only – the ULB. The SUDA/ DUDA is an implementing agency which may use such funds for and on behalf of the ULB. This divergence must be ended as soon as possible.

10.5.3 Action required by ULB if any

- A systematic plan for urban poverty reduction is to precede the earmarking of funds for the urban poor.
- Target the revenue expenditure as per the milestone specified in MOA
- Create separate heads of revenue and capital expenditure in municipal budgeting system to measure quantum of expenditure made on such services.

10.6 L3 – Basic Services to Urban Poor

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|---------------|------------------------|---|
| Basic Services for Urban Poor | | | |
| Survey of Poor HH | 2007-08 | In progress with delay | Survey has been completed. Identified 60882 poor in 102 listed and 54 unlisted clusters. Data entry is complete; analysis is in progress |
| Database creation for targeting HH level schemes | 2007-08 | In progress with delay | |
| Prioritisation of Poor Settlements by participation method | 2007-08 | Not initiated | |
| Max. Achievement of HH level piped WS* | 2009-10 | Not initiated | Reported to be achieved at 90% |
| Max. Achievement of defined disposal sys for HH toilets* | 2008-09 | In progress | No specific information |
| Max. Achievement in Pucca Housing | 2009-10 (85%) | In progress with delay | Out of 102 slums 55 slums covered in BSUP, out of 10838 Kuccha/Semi Pucca houses 8662 converted to Pucca, 1940 under construction. Rest slums taken in RAY. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--------------------------|------------------------|--|
| Def. Achievement in Street Sweeping | 2011-12 | In progress | Daily |
| Def. Achievement in Waste Collection | 2011-12 | In progress | No specific information |
| Def. Achievement in HH access to Pucca Roads | 2009-10 | In progress with delay | Only 80% achievements |
| Def. Achievement in HH access to covered SW drains | 2011-12 | In progress | Only 50% achievements |
| Def. Achievement in Street illumination | 2008-09 | In progress with delay | No specific information |
| Def. Achievement in Anganwadi/Crèche | 2011-12 | In progress | 60% achievements |
| Def. Achievement in Community Halls | 2011-12 | In progress | 60% achievements |
| Def. Achievement in Preventive Health Care (advisory) | 2010-11 | In progress | Achieved – but no details available |
| Def. Achievement in Pri.Edu – Enrolment | 2010-11 (100% enrolment) | In progress | No specific information available |
| Def. Achievement in Pri.Edu – Drop Out | 2011-12 | In progress | |
| Def. Achievement in Skilled Training | 2011-12 (75%) | In progress | 1210 persons were trained in last two years after new SJSRY scheme launched. 50% are in same profession. 600 Persons trained in 2012-13. |
| Def. Achievement in Micro-credit | 2011-12 (85%) | In progress | 35% Achieved. 33 groups formed in 2010-11. 37 groups formed in 2011-12. 6 groups formed in 2012-13 |

10.6.1 Action required by state government

- Amend Municipal Act to change the status of Urban Poverty Reduction from discretionary function to obligatory function.
- Direct preparation and adoption of long term or intermediate term planning for the urban poor by way of MAPPRs (Municipal Action Plan for Poverty Reduction), which are to be adopted via resolution, be carried out with the help of the BSUP fund, and should be reflected in statutory zonal development plans



10.6.2 Action required by ULB if any

- Commission, using surveys done so far, comprehensive MAPPR – this should identify projects that are to be taken up through BSUP, MKRAY and the upcoming RAY in line with the slum-free cities plan
- Deploy DUDA or any agency of its choosing to carry out the tasks appurtenant to the same
- Commission annual State of Urban Poverty Report



11. Optional Reforms

11.1 Overall progress

Uttar Pradesh has committed to all the optional reforms and has made good progress in achievement of these reforms.

- It was observed that with regard to the optional reforms, the decision and onus lies primarily at the state level. This is owing to functions such as land registration, and preparation of building bye laws, earmarking of land for EWS and LIG which are either state subjects or are being handled by para-statal agencies.
- Reforms of streamlining of approval process, rainwater harvesting (RWH), reuse of recycled water, earmarking of 20% land have made progress on policy front at state level with GoUP taking proactive steps and making necessary amendment. However, on ground implementation of these functions would demand strong supervisory and monitoring mechanism at state level and para-statal agency level.
- Property Title Certification System related reform has now been brought under focus by the state government. A Draft Bill for property title certification system has been prepared and forwarded for state government's consideration.
- For Simplification of Legal and Procedural Framework for Conversion of Agricultural Land to Non-Agricultural Land, though there exists a provision in respective laws, the timeframe and procedure for such approval would need to be modified to bring down the timelines for according approvals.
- Administrative reforms are being supported on a large scale through the Directorate of Local Bodies. The DLB has recently been allocated over Rs. 20 crores for a Training and Capacity Building programme which will focus upon both ULB employees as well as public representatives. The DLB has also been handholding ULBs in implementing Administrative Reforms. GoUP constituted a committee under the chairmanship of the Director of Local Bodies in 2006. The brief of the Committee was to establish norms for categorization, up-gradation, reorganization, and the rationalisation of human resources in the ULB. The committee has identified several issues in the existing organisation structure and staffing. The committee has submitted its report with recommendations which now need to be implemented. A Cabinet approval has recently been secured for the formation of revenue cadres, account cadres, and PPP models; scale revision for Junior Engineers; reorganization of the revenue cadre; and reorganization of the ULB executive cadre.
- ULBs have initiated Administrative Reforms and have taken several steps to increasing organizational efficiencies. Outsourcing is being encouraged in a bid to reduce establishment expenditure. Service Level Agreements have been formulated to ensure that complaints are addressed in pre-specified time periods. Toll-free numbers are being utilized by some ULBs for complaint registration. Websites have been developed and various services have been embedded on them to ensure that people can get easy access to various services. Some of the ULBs have begun introducing Solar recharging enabled traffic signals to reduce energy consumption. Several in-house trainings for staff have been carried out and ULBs' staff has also been sent for training to other locations
- On the Structural Reforms front, ULBs have established Zonal offices to decentralize the provision of services within the city. Due empowerment of Zonal Office staff has also been carried out to enable them to function more effectively. Inter-agency coordination is being taken up through various review meetings chaired by Municipal Commissioner as well as through



District Magistrate's office for cross cutting programmes like BSUP where para-statal are also involved.

11.2 Progress Summary

11.2.1 Number and Names of reforms achieved

The following reforms have been achieved at the state and ULB levels:

- Revision of Building Byelaws to streamline approval process
 - ◆ All development authorities have streamlined approval processes. Buildings up to 300 sq. mts. can be accorded approvals in 24 hours if they comply with all necessary requirements. Building over 300 sq. mts. can be accorded approval in 30 days' time. This timeline is to be further shortened to 7 days for residential and 10 days for commercial.
- Revision of building byelaws to include rainwater harvesting
 - ◆ Byelaws have been amended by all development authorities to make rainwater harvesting mandatory for building above 300 sq. mts.
- Revision of building byelaws to include reuse of recycled water
 - ◆ Byelaws have been amended by all development authorities to include measures for reuse of recycled water
- Earmarking 20% - 25% land for poor in housing projects with cross subsidization
 - ◆ Housing and Township policies have been amended to provide such reservation. The overall FAR calculations will not include such reservation which allows developers to retain their commercial objectives as well.
- Land and property registration has been computerized
- PPP projects are being encouraged in all ULBs. SWM has been outsourced (through PPP) by all UIG cities in UP. Further, projects like Public Convenience, Solar Traffic Lights are also being taken up on PPP basis.

11.2.2 Number and Names of reforms in progress

The following reforms are in progress:

- Property title certification system
- Conversion of agricultural land to non-agricultural land
- Administrative reforms
- Structural reforms

11.3 Issues in Reform implementation

The key issues observed in implementation of the optional reforms have been highlighted below:

11.3.1 Limited understanding of certain reforms

There is a limited understanding of certain reform areas which has an impact on the implementation of such reforms. For instance, the property title certification system reform is one such area on which there is limited clarity. This is also because this reform has a cross cutting impact wherein several departments across the government machinery will have to be involved in facilitating the implementation of this reforms since land records and title registration are not within the ULBs purview of the ULBs.



11.3.2 No capacity for undertaking PPP projects

The ULBs lack capacity to initiate and undertake projects under the PPP mode. The ULBs may not be able to execute a PPP agreement entirely on their own and this a key issue if the ULBs are to optimize their functioning. The current PPP arrangement has been facilitated by the UP Jal Nigam which spearheaded the project development and bid document preparation. This capacity also needs to be created at the ULB level.

11.4 Suggestions / Recommendations

- Organize handholding sessions for administrative and structural reforms
 - ◆ It is necessary to organize handholding sessions for these reform agendas in order to ensure that ULBs are fully able to appreciate the need for these reforms and are also able to effectively implement them.



12. Appraisal of Optional Reforms – Lucknow

12.1 O1 – Functions of Optional Reforms not transferred to LNN

Many of the functions addressed in the optional level reforms are not transferred to the ULB. Brief discussion on the status of all the three reforms is presented in table below.

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|------------------------|---|
| Introduction Of Property Title Certification System In ULBs | 2011-12 | In progress with delay | Property Title Certification Act is in the process of adoption at the State level. |
| Computerization Of All The Property Records Against Ownership | 2010-11 | In progress with delay | The present system is computerised for land records/ registration in the Offices of the Registrar/Sub-Registrars. Property Assessment Registers with the ownership/occupier details exist in the Zonal Offices of LNN |
| Simplification of Legal and Procedural Framework for conversion of Agricultural Land to Non-Agricultural Land | No Timeline specified | No initiative taken | Revenue department is empowered to look into the matters related to conversion of Agricultural land to Non Agricultural. No progress on this reform |

12.2 O2 – Revision of Building Byelaws to Streamline the Approval Process³

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|----------------|---|
| Revision of Building bylaws to streamline Approval Process | | | |
| Consultations with Stakeholders on modifications of Byelaws | No Timeline indicated | Completed | Stakeholder consultation at state level has been done and accordingly GoUP issued GO to all Urban Development Authority dated 4th Jan 2008 to make revision in Building byelaws for simplification of the process of sanction of Building Plan. |
| Identification & Finalization of modification in Byelaws to streamline approval | 2006-07 | Completed | Building Plan approval is responsibility of District Development Authority. As directed by GoUP , LDA adopted byelaws in order to streamline the approval process. |

³ Reforms pertaining to building plan approval, Rain water harvesting, reservation of land for LIG/EWS and reuse of recycled water is the responsibility of Lucknow Development Authority, which didn't attend reform review meeting and hence status of all these reforms are not updated.



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|---|
| | | | It states that No building plan needs to get sanction upto 100 sq. mt area in old constructed area of the city. In case of Single Residential Plots, up to 300 Sqm, the allottee will be given Standard Building Plan, at the time of Registry and following the Set -Back as per Building Bye Laws, the sanction of Building Plan is not required. |
| Defining Mitigation Measures for Natural Disaster in Byelaws | 2006-07 | Completed with Delay | Mitigation measures for fire, earthquake etc have been incorporated in Building Byelaws. |
| Amendment of existing legislation to introduce new Byelaws & Notification | No Timeline indicated | Completed | The GoUP revised the Building Byelaws in 2008 and the LDA adopted the byelaws in order to streamline the approval process. |
| Dissemination of New Byelaws through Website | 2007-08 | In progress with delay | Not available on LDA website |
| City level Public Workshops to address queries | No Timeline indicated | Completed | It is ongoing process |
| Setting MIS Sys linked to all offices having bearing on Building Permission | 2007-08 | In progress with Delay | Initially at state level Birla Soft was appointed for the MIS system , however its was discontinued. Presently process of approval is computerized. |
| Start of approval as per new byelaws | No Timeline indicated | Completed | Started |
| Establishment of Interactive Citizen Enquiry Sys for Building Plan Approval | 2008-09 | In progress | Public Enquires can be done through the email and posting queries on the website. |
| Maximum Reduction of Average time for Building Sanction (Residential :7 days, Commercial :10 days) | 2008-09 | In progress | Process seems to be simplified. Time for approval reduced from 90 days to 30 days. Weak Implementation is area of concern. |



12.3 O3 – Revision of Building Byelaws to Make RWH Mandatory⁴

| Reform milestones | Target year | Current status | Cumulative Progress TILL March 2014 |
|---|-------------|---------------------------|--|
| Revision of building byelaws to make RWH Mandatory | | | |
| Final Design of RWH and decision on end use | 2008-09 | Completed as per Timeline | Design of the Rain Water Harvesting has been finalised at State Level. It becomes the part of Rain Water Harvesting Manual and RWH mandatory in new Building Byelaws 2008. |
| Prep of Drafting Byelaws to reflect Mandatory Clauses of RWH | 2008-09 | Completed as per Timeline | The GoUP revised the Building Byelaws in 2008 and also issued GO in this regard. LDA adopted the byelaws in 2009. Rain water harvesting has been made mandatory for construction of building more than 300 sq. mt under this byelaw. |
| Amendment of Existing legislation to introduce the new Byelaws & Notification | 2008-09 | Completed as per Timeline | It was specified during the visit that this will make compulsory in future buildings. A Committee will be formed at state level to verify the Implementation. |
| Dissemination of the new set of Building Byelaws thru Website | 2008-09 | In Progress with Delay | Not on website of LDA |

12.4 O4 – Earmarking of Land for EWS/LIG Housing and a system of cross subsidy⁵

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| Earmarking of land for EWS & LIG and a system for cross-subsidy | | | |
| Decision on the extent of reservation (20-25%) | 2007-08 | Completed with delay | Housing & Urban Development Department of the GoUP has announced Housing Policy 2009. GoUP has made reservation of 20% of saleable land for economically weaker sections (EWS) and low income group (LIG) for Housing Board & Development Authorities and private developers for upcoming townships. |
| Amendment of the existing legislation and notification | 2008-09 | Appropriate GO issued. | |

⁴ Reforms pertaining to building plan approval, Rain water harvesting, reservation of land for LIG/EWS and reuse of recycled water is the responsibility of Lucknow Development Authority, which didn't attend reform review meeting and hence status of all these reforms are not updated.

⁵ Reforms pertaining to building plan approval, Rain water harvesting, reservation of land for LIG/EWS and reuse of recycled water is the responsibility of Lucknow Development Authority, which didn't attend reform review meeting and hence status of all these reforms are not updated.



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|---|
| Timeline to improve the percentage of reservation for EWS/LIG in housing projects | No timeline | In Progress | GO has been issued by GoUP to all respective Area Development Authorities. However implementation of such provisions for private developers is weak |

12.5 07 – Byelaws on reuse of recycled water⁶

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------|---|
| Byelaws on reuse of recycled water | | | |
| Final Design and decision on end use of WW Recycling Sys | 2007-08 | Completed as per timeline | GoUP adopted provisions related to Recycle/ Reuse of water as specified in National Building Code in Building Bylaws-2008 (Bhavan Upvidhi-2008). All Urban Development Authority adopted such Building Bylaws in 2008 |
| Prep of Drafting of Byelaws to reflect Mandatory Clauses of Wastewater Recycling System | 2008-09 | | |
| Amendment of Existing Legislation to introduce the new Byelaws & procedures | 2009-10 | | |
| Dissemination of the new set of Building Byelaws through Website | 2009-10 | Completed as per timeline | The Technique and Design of Rain Water Harvesting/Reuse of Water is available on Awas Bandhu Web-site, www.awasup.nic.in |
| City level Public Workshops to address queries | 2009-10 | Not initiated | Not initiated by LDA |
| Start of approval as per new byelaws | 2009-10 | Completed | Started |

12.6 08 – Administrative Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------|--|
| Administrative Reforms | | | |
| Rationalisation of HR - Identification Of | 2009-10 | Completed as per timeline | GoUP constituted committee under the chairmanship of Director of Local Bodies in 2006 to establish norms for the Categorization, Up gradation, |

⁶ Reforms pertaining to building plan approval, Rain water harvesting, reservation of land for LIG/EWS and reuse of recycled water are the responsibility of Lucknow Development Authority



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--------------------|----------------------------|--|
| loopholes in existing staffing | | | Reorganization and the Rationalisation of the Human Resources in ULB. The Committee has submitted its report to GoUP. The finance department of GoUP has already approved the recommendation of DLB and presently awaiting cabinet approval. Upon approval from the cabinet many post such as accounting cadre, revenue cadre, IT cadre, environment engineer, city managers shall be created at ULB level. Further staffing norms shall be created at ULB level. |
| Rationalisation of HR - Draft Proposal for changing Staffing Policy | 2007-08 to 2009-10 | In progress at state level | A detail study has been done at the state level and the instructions issued to ULB is being implemented by LNN. At state level such report has been submitted which has been recently approved by Finance department of GoUP and awaiting cabinet approval. |
| Rationalisation of HR – Drafting Proposal for reforms in Performance Evaluation System | 2007-08 to 2009-10 | | |
| Rationalisation of HR - Employee Consultation | 2007-08 to 2009-10 | Completed | Employee consultation is being done at Department head level regularly. |
| Rationalisation of HR - Discussions with various ULB departments | 2007-08 to 2009-10 | | At Municipal Commissioner level regular discussion is being held with each ULB department head of LNN. |
| Rationalisation of HR - Cabinet Approval | 2007-08 to 2009-10 | In Progress | The committee has submitted its reports which are awaiting the cabinet approval. |
| Rationalisation of HR - Preparation of enabling legislations | 2007-08 to 2009-10 | | No such Legislation. |
| Staff Training - Assessment of training needs | 2007-08 to 2009-10 | In progress with delay | State Level Training Calendar circulated by UPAAM is being followed. Besides the LNN further contacted the academy for doing independent TNA of the LNN and prepare a calendar of different training programme required in addition to the trainings proposed at state level. Since the UPAAM failed to complete the assessment, internal mechanism has been developed keeping in view the mandatory reforms such as to provide in-house training on the subjects such as DEAS, Different modules of Property Tax , IVRS based PGRS. |
| Staff Training - Finalisation of training curriculum | 2007-08 to 2009-10 | | |
| Staff Training - Selection of agencies to provide training | 2007-08 to 2009-10 | In Progress with delay | 1-Sustainable Development Concepts and Issues on Urban Forestry, Environment friendly Solid Waste Management. Urban Governance 2-Community Based Disaster Risk management |
| Staff Training - Conducting of training | 2007-08 to 2009-10 | | |
| Staff Training - Training Programmes identified | 2007-08 to 2009-10 | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--------------------|----------------|--|
| | | | <p>3-GIS Based Utility Mapping for urban Planning and management</p> <p>4-State Level Training cum Orientation workshop on Bio Medical Waste Management.</p> <p>5-Training Program on Planning and Provision of Urban Infrastructure Based Practices.</p> <p>6-Training under DEAS and asset evaluation of the departmental staff done .</p> <p>At GOI level such Training Need Assessment study conducted by Technical Cell of Gol. However such study has not been conducted at state level.However at state level regular training has been organised by UP Administrative Academy & Institution of Public Administration on different subjects of Urban Governance, SWM, Disaster Management, GIS based utility mapping for urban planning and management and Bio medical waste management. It has also circulated training calendar.</p> <p>At LNN level, training need consultations has been carried out by HR personnel of LNN's PIU with respective department and accordingly staff members has been sent for training conducted by UP Administrative Academy.</p> <p>LNN also appointed UP Administrative Academy to carry out the Training need assessment and prepare a training calendar accordingly.</p> <p>Apart from above, many training session have been conducted for e- Governance, Computer literacy, GIS training, DEAS training, Bio-medical waste, Disaster Risk Management.</p> |
| Reduction in Establishment Expenditure – Outsourcing of certain functions | 2007-08 to 2009-10 | Completed | PPP project such as SWM is to be implemented to reduce establishment expenditure. Further many activities such as maintenance of parks, public grievance system, O&M of street lights, slaughter house modernisation etc has been outsourced.Proposal for punishment for poor performance. |
| Reduction in Establishment Expenditure – Higher Capacity Utilisation | 2007-08 to 2009-10 | | LNN informed that there is a proposal for punishment of poor performance however no action is taken yet. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--------------------|------------------------|---|
| Reduction in Establishment Expenditure – Energy Saving | 2007-08 to 2009-10 | In progress with delay | Various instructions were issued for saving the energy, stationary and misuse of vehivles.BEE is roped in by the LNN for O&M of street lighting and implementation of Solar lights. However Energy audits are yet to be done. |
| Continuity of Tenure of Key Personnel – Minimum Average Tenure of MC | Not Possible | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |
| Management Review System – Periodic Review by Mayor & MC | 2007-08 to 2009-10 | Not Initiated | Being reviewed periodicallyOrganised at state level. No such formal system at ULB level. |
| Management Review System – Generation of performance reports | 2007-08 to 2009-10 | Not Initiated | Performance appraisal on annual basis. MIS at state level. No such formal system at ULB level. |
| Best Target Staff Deployment * | No timeline | Not Initiated | Academy has been assigned to submit a suitable proposal. |
| Evolution of detailed training plan | No timeline | State level Initiated | GoUP appointed UP Administrative Academy as Nodal agency for Training of ULB staff. LNN also appointed UP Administrative Academy to carry out the Training need assessment and prepare a training calendar accordingly. |
| Least Establishment Expenditure during mission year* (23%) | 2009-10 | | No Info |
| Ensuring stability of tenure for MC and other staff | No timeline | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |

12.7 09 – Structural Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--------------------|---------------------------|--|
| Structural Reforms | | | |
| New Initiatives planned within organisation | 2007-08 to 2009-10 | Completed as per timeline | Service level benchmark has been decided by LNN for year 2011-12. ISIP and PIP is being implemented under FC-13 in this FY. Outsourcing of activities relating to Death Birth Registration (New & Old records), water supply, sanitation, grievance redressal etc. is being implemented Demand and collection of taxes are being maintained and monitored at Zonal office. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| New Initiatives planned for inter-agency coordination | No timeline | | No such efforts have taken place. |
| New State Level Structural Reforms for creation of cadre for different technical disciplines | 2009-10 | In progress with delay | City level co-ordination committee formed for cleaning of river Gomti. City Level Co-ordination committee has been constituted for the Zoning of Street Vendors. City Level coordination committee constituted for the framing and execution of City Sanitation Plan |
| Citizen Charter | No timeline | Completed | Prepared. |

12.8 O10 – Encouraging PPP

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|----------------|--|
| Encouraging PPP | | | |
| List down the State level regulatory and policy initiatives planned for encouraging and deepening PPP in urban services | No timeline | In progress | GoUP amended the UP Municipal Act, 1916 in September 2009 and empowered the ULBs to enter into PPP agreement with private sector to implement the Infrastructure projects and discharge the services. Works related to revamping solid waste management services, modernization of slaughter house and enhancement of capacity at various levels are being done by LNN. Further GoUP issued GO to each ULB for development of following facilities on PPP basis for parking places, modernization of slaughter house. |
| List down the city level project initiatives planned through PPP in the next three years | 2009-10 | Completed | SWM project is being implemented on PPP basis. The door to door collection, transportation of waste and treatment is a responsibility of Concessionaire. Only street sweeping is a responsibility of LNN. LNN shall pay tipping fees to the concessionaire. The amount of tipping fees shall be met through user charges and LNN's own source of revenue. Common Biomedical Waste Treatment Facilities under PPP mode with full capital contribution is also to be |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|-------------------|-------------|----------------|---|
| | | | <p>implemented. Tendering process is in the final stages of approval.</p> <p>In addition LNN also outsources maintenance of parks and public grievance system, O&M of street lights, slaughter house modernisation, solar traffic control signal system</p> |





13. Appraisal of Optional Reforms – Kanpur

13.1 O1 – Functions of Optional Reforms Not Transferred to KNN

Many of the functions addressed in the optional level reforms are not transferred to the ULB. Thus mainly two optional reforms are not kicked off at KNN. Brief discussion on the status of all three reforms is presented in table below.

| Reform milestones | Target year | Current status | Cumulative progress TILL March 2014 |
|--|-----------------------|------------------------|---|
| Introduction Of Property Title Certification System In ULBs | 2011-12 | In progress with delay | Property Title Certification Act is in the process of adoption at the State level. |
| Computerization Of All The Property Records Against Ownership | 2010-11 | In progress with delay | The present system is computerised for land records/ registration in the Offices of the Registrar/Sub-Registrars. Property Assessment Registers with the ownership/occupier details exist in the Zonal Offices of KNN |
| Simplification of Legal and Procedural Framework for conversion of Agricultural Land to Non-Agricultural Land | No Timeline specified | No initiative taken | Revenue department is empowered to look into the matters related to conversion of Agricultural land to Non Agricultural. No progress on this reform |

13.2 O2 – Revision of Building Byelaws to Streamline the Approval Process

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|----------------|--|
| Revision of Building bylaws to streamline Approval Process | | | |
| Consultations with Stakeholders on modifications of Byelaws | No Timeline indicated | Completed | Building Plan approval is responsibility of District Development Authority whereas ULBS would provide the NOC to the builders/Architects. As directed by GoUP, KDA (Kanpur Development Authority) adopted byelaws |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|----------------------|---|
| Identification & Finalization of modification in Byelaws to streamline approval | 2006-07 | Completed | <p>in February 2009 in order to streamline the approval process.</p> <p>It was mentioned during the state level discussion that stakeholder consultation at state level was done and accordingly GoUP issued GO to all Urban Development Authority dated 4th JAN 2008 to make revision in Building byelaws for simplification of the process of sanction of Building Plan.</p> <p>It states that No building plan needs to get sanction up to 100 sq. mt areas in old constructed area of the city. In case of Single Residential Plots, up to 300 Sqm, the allottee will be given Standard Building Plan, at the time of Registry and following the Set -Back as per Building Bye Laws, the sanction of Building Plan is not required.</p> |
| Defining Mitigation Measures for Natural Disaster in Byelaws | 2006-07 | Completed with Delay | Mitigation measures for fire, earthquake etc have been incorporated in Building Byelaws. |
| Amendment of existing legislation to introduce new Byelaws & Notification | No Timeline indicated | Completed | The GoUP revised the Building Byelaws in 2008 and the KDA adopted the byelaws in order to streamline the approval process. |
| Dissemination of New Byelaws through Website | 2007-08 | Completed with Delay | Available on KDA's website as well as on the website of Awas Bandhu-awas.up.nic.in. |
| City level Public Workshops to address queries | No Timeline indicated | completed | City level workshop was organised. |
| Setting MIS Sys linked to all offices having bearing on Building Permission | 2007-08 | In progress | Citizen can apply online through KDA's website for building plan approval. All departments have been integrated. However approval process is manual. Full integrated building plan approval system shall be developed at state level. |
| Start of approval as per new byelaws | No Timeline indicated | completed | Started from 2009. |
| Establishment of Interactive Citizen Enquiry Sys for Building Plan Approval | 2008-09 | In progress | Public Enquires can be done through the email and posting queries on the website. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|---|
| Maximum Reduction of Average time for Building Sanction (Residential :7 days, Commercial :10 days) | 2008-09 | In progress with delay | Process seems to be simplified. Building plan approval time limit has been capped at 30 days and 90 days for residential and commercial buildings. KDA also specified that building sanctions has been given in majority of cases as per the time limit specified in Building bylaws. |

13.3 O3 – Revision of Building Byelaws to Make RWH Mandatory

| Reform milestones | Target year | Current status | Cumulative progress TILL March 2014 |
|---|-------------|---------------------------|--|
| Revision of building byelaws to make RWH Mandatory | | | |
| Final Design of RWH and decision on end use | 2008-09 | Completed as per Timeline | Rain water harvesting bye laws are part of the building bye laws and it is responsibility of District Development Authority where ULBS would provide the NOC to the builders/Architects. During the state level discussion it was mentioned design of the Rain Water Harvesting has been finalised at State Level. It becomes the part of Rain Water Harvesting Manual and RWH mandatory in new Building Bylaws 2008. |
| Prep of Drafting Byelaws to reflect Mandatory Clauses of RWH | Done | Completed | The GoUP revised the Building Byelaws in 2008 and also issued GO in this regard. KDA adopted the byelaws in 2009. |
| Amendment of Existing legislation to introduce the new Byelaws & Notification | | Completed | Rain water harvesting has been made mandatory for construction of building more than 300 sq. mt under this byelaw. RWH will be mandatory for future buildings. |
| Dissemination of the new set of Building Byelaws thru Website | | Completed | Building Byelaws are available on KDA's website |
| City level Public Workshops to address queries | | Completed | Kanpur Development Authority has organised two seminars on rain water harvesting for generating awareness in public. Chief guest was- Magsasey award winner MR. RAJENDER SINGH |



| Reform milestones | Target year | Current status | Cumulative progress TILL March 2014 |
|---|-------------|----------------|--|
| Start of Approval as per the new building byelaws | | Completed | Approximately 957 buildings plans have been sanctioned with RWH provisions. Group housing sanctioned-52 Under construction-15 R.W.H. Completed in -48 buildings |

13.4 O4 – Earmarking of Land for EWS/LIG Housing and a system of cross subsidy

| Reform milestones | Target year | Current status | Cumulative progress TILL March 2014 |
|---|-------------|------------------------|--|
| Earmarking of land for EWS & LIG and a system for cross-subsidy | | | |
| Decision on the extent of reservation (20-25%). | 2007-08 | Completed with delay | Housing & Urban Development Department of the GoUP has announced Housing Policy 2009. GoUP has made reservation of 20% of saleable land for economically weaker sections (EWS) and low income group (LIG) for Housing Board & Development Authorities and private developers for upcoming townships. |
| Amendment of the existing legislation and notification. | 2008-09 | Appropriate GO issued. | Target for EWS houses/ plots are 4000 in 2013-14. |
| Timeline to improve the percentage of reservation for EWS/LIG in housing projects | - | In Progress | <ul style="list-style-type: none"> • 398 have been completed while 1057 are in progress. • A target for LIG houses/ plots is 1600 in 2013-14 out of which 300 are completed and 450 are in progress. • One integrated township has been sanctioned with provision for EWS/LIG reservation is under implementation |



13.5 07 – Byelaws on reuse of recycled water

| Reform milestones | Target year | Current status | Cumulative progress TILL March 2014 |
|---|-------------|---------------------------|--|
| Byelaws on reuse of recycled water | | | |
| Final Design and decision on end use of WW Recycling Sys | 2007-08 | Completed as per timeline | GoUP adopted provisions related to Recycle/ Reuse of water as specified in National Building Code in Building Byelaws-2008 (Bhavan Upvidhi-2008). All Urban Development Authority adopted such Building Byelaws in 2008. At present treated sewage water is being used for farm irrigation in the KNN sewage farm and private land adjacent to it. |
| Prep of Drafting of Byelaws to reflect Mandatory Clauses of Wastewater Recycling System | 2008-09 | | |
| Amendment of Existing Legislation to introduce the new Byelaws & procedures | 2009-10 | | |
| Dissemination of the new set of Building Byelaws through Website | 2009-10 | Completed as per timeline | The Technique and Design of Rain Water Harvesting/Reuse of Water is available on Awas Bandhu Web-site, www.awasup.nic.in |
| City level Public Workshops to address queries | 2009-10 | | Not initiated by KDA |
| Start of approval as per new byelaws | 2009-10 | | Initiated |

13.6 08 – Administrative Reforms

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|-------------|---------------------------------------|--|
| Administrative Reforms | | | |
| Rationalisation of HR - Identification Of loopholes in existing staffing | 2008-09 | In progress with Delay at State level | Shortage of Technical & Managerial staff. Non availability of qualified IT /GIS staff. Inadequacy of E-Gov Set-Up. |
| Rationalisation of HR - Draft Proposal for changing Staffing Policy | 2008-09 | Not Initiated | At state level such report has been submitted which has been recently approved by Finance department of GoUP and awaiting cabinet approval. |
| Rationalisation of HR – Drafting Proposal for reforms in Performance Evaluation System | 2008-09 | | KNN uses Annual Confidential Report (ACR) System for performance appraisal of Employees System review of projects / services is done by respective HOD / AMC/ MC on weekly basis at KNN level |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|--------------------------|---|
| Rationalisation of HR - Employee Consultation | 2008-09 | In progress at KNN level | Regular discussions were conducted with following Departments at KNN level and with different parastatal departments and agencies at state level e.g.- <ul style="list-style-type: none"> ▪ .Jal Nigam ▪ UP PWD UP Irrigation Deptt. ▪ UP Power Corporation Environment Deptt. ▪ Finance Deptt. Transport Deptt. Forest Deptt. ▪ Housing Depth/Para statal. ▪ DUDA ▪ JALKAL |
| Rationalisation of HR - Discussions with various ULB departments | 2008-09 | | |
| Rationalisation of HR - Cabinet Approval | 2008-09 | In progress with delay | Cabinet Approval has been taken for <ul style="list-style-type: none"> ▪ Revenue cadre Account cadre PPP model ▪ Revision of Scale of Junior Engineer. ▪ Approval of Reorganization of Revenue Cadre ▪ Reorganization of ULB Executive Cadre. |
| Rationalisation of HR - Preparation of enabling legislations | 2008-09 | In progress | Cabinet Approval has been taken for - Revenue cadre Account cadre PPP model <ul style="list-style-type: none"> ▪ Revision of Scale of Junior Engineer. ▪ Approval of Reorganization of Revenue Cadre. ▪ Reorganization of ULB Executive Cadre. |
| Staff Training - Assessment of training needs | 2008-09 | Completed | Disaster Management For Implement Capacity Building Programme pertaining disaster management, a meeting held on 27/02/2013 at Conference room, Collectorate Office in coordination with Facilitator of UP Disaster Management Authority, Lucknow and finally 2 councilor and 3officers have been selected as Master Trainer after attending the 4days training at Lucknow. A training program to improve the writing / drafting skills and errorless presentation named <u>WRITE WELL</u> has been designed and organized for 35-35 official in three batch. <u>Another Workshop for Senior officers on Personality Development is being conducted to improve their personality traits.</u> Training regarding EIS & Cash Collection modules are continuing at KNN CENTRE FOR EXCELLENCE "City Manager's" Capacity Building Training Programme --Two Batch of 20-20 KNN |
| Staff Training - Finalisation of training curriculum | 2008-09 | | |
| Staff Training - Selection of agencies to provide training | 2008-09 | | |
| Staff Training - Conducting of training | 2008-09 | | |
| Staff Training - Training Programmes identified | 2008-09 | | |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|-------------------|-------------|----------------|---|
| | | | <p>Officials who attended City Manager’s Training Programme at ASCI, Hyderabad on dt.11-15th July, 2011 &19-23rd Sept.2011 respectively.</p> <p>Communication Skills Training-Three Batches of 20-20 have been trained in Communication Skills at KNN CENTRE FOR EXCELLENCE .At GOI level such study initiated. Training Need Assessment study conducted by Technical Cell of GoI. However such study has not been conducted at state level .However at state level regular training has been organised by UP Administrative Academy & Institution of Public Administration on different subjects of Urban Governance, SWM, Disaster Management, GIS based utility mapping for urban planning and management and Bio medical waste management. It has also circulated training calendar.</p> <p>Capacity Building DPR has been prepared at KNN level and submitted to Government. Training need have been identified at each departmental level and training calendar has been prepared which is part of capacity building plan.</p> <p>Several Training workshop and programme have been organised for different E-Governance Modules and Arc GIS 9.2 at regular interval by consultant appointed for development of respective software (NIIT) and PIU team. Accounting staff are being trained by the FLC. KNN also sending its staff members for different training workshops on PPP, Urban Management, service level benchmarking, change management, contract management etc conducted by ASCI, Engineering staff college of India and NIUA.</p> <p>“KNN CENTRE FOR EXCELLENCE” has been established in KNN premises where In-house training is continually ongoing. Some of the recent developments include:</p> <ul style="list-style-type: none"> ▪ Applications have been invited for empanelment of visiting faculty to reduce the tendering processes for conducting courses. ▪ Training curriculum on soft skill development relating to presentation skills, writing skills and personality development has been prepared. Third batch of communication skills training was imparted between 15thJan-15th Feb 2012. |





| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|----------------------|--|
| Reduction in Establishment Expenditure – Outsourcing of certain functions | 2007-08 | Completed with delay | Following PPP projects are being implemented to reduce establishment expenditure. Solid Waste Management. O&M of streetlights. O&M of parks. 24 Cyber Cafe have been authorised to provide the Municipal E-services. |
| Reduction in Establishment Expenditure – Higher Capacity Utilisation | 2007-08 | Completed with delay | Efforts have directed to achieve higher capacity utilisation through introducing the efficient IT infrastructure in all concerned departments of KNN. |
| Reduction in Establishment Expenditure – Energy Saving | 2007-08 | Completed with delay | BEE is roped in by the KNN for O&M of street lighting and implementation of Solar lights. Presently Energy auditing work is under progress by BEE. |
| Continuity of Tenure of Key Personnel – Minimum Average Tenure of MC | - | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11 |
| Management Review System – Periodic Review by Mayor & MC | 2007-08 | In progress | Annual reviews are being conducted |
| Management Review System – Generation of performance reports | 2007-08 | Not Initiated | MIS at state level. No such formal system at ULB level |
| Best Target Staff Deployment * | 2008-09 | In progress | One Role of honour for 10 best Inspectors of revenue collection was unrolled by Principal Secretary , Urban Development Department, Govt. of UP on 23 rd April,2011 and this roll has been placed in the front wall of the Corporation building for display |
| Evolution of detailed training plan | - | In Progress | GoUP appointed UP Administrative Academy as Nodal agency for Training of ULB staff. Tentative training requirement prepared and submitted to GoI. Training calendar under preparation with the help of local management institute. |
| Least Establishment Expenditure during mission year* (23%) | 2009-10 | | Freeze on recruitments |
| Ensuring stability of tenure for MC and other staff | - | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. No effective policy of GoUP. |



13.7 O9 – Structural Reforms

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|-------------|------------------------|--|
| Structural Reforms | | | |
| New Initiatives planned within organisation | Year 2009 | Completed | Decentralization of Zonal Offices has been completed. Executive power and financial power delegated to Zonal Officers up to 2.5 lakhs in a month. Core services such as sanitation, sewerage, property tax demand and collections are being maintained at Zonal Offices. The License Department of KNN has been centralized to two locations with HO at zone-5 and zone-1 and administration control of TS delegated to zone-5. The Personnel Dept. has been segregated into three (1) Personnel Deptt. (2) Personnel training (3) Personnel Outsourcing.. |
| New Initiatives planned for inter-agency coordination | 2007-08 | In progress | Weekly meetings are being organized under the chairmanship of Divisional Commissioner / Municipal Commissioner of Kanpur for inter-agencies coordination and time bound execution of the projects |
| New State Level Structural Reforms for creation of cadre for different technical disciplines | 2007 -08 | In progress with delay | Staffing need assessment study has been completed by the DLB and submitted to GoUP. It stated creation of certain post for the different technical disciplines. Finance department of GoUP has already approved recommendation and presently awaiting cabinet approval. |
| Citizen Charter | No timeline | Completed | Prepared and uploaded on KNN's website. |

13.8 O10 – Encouraging PPP

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|--|
| Encouraging PPP | | | |
| List down the State level regulatory and policy initiatives planned for encouraging and deepening PPP in urban services | No timeline | In progress | GoUP amended the UP Municipal Act, 1916 in September 2009 and empowered the ULBs to enter into PPP agreement with private sector |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|---|
| | | | to implement the Infrastructure projects and discharge the services. Further GoUP issued GO to each ULB for development of following facilities on PPP basis viz. Parking places, Modernization of Slaughter house. |
| List down the city level project initiatives planned through PPP in the next three years | 2007-08 | Completed | Following PPP projects are being implemented. Solid Waste Management. This project is already implemented. Following projects are being implemented O&M of streetlights. O&M of parks. 24 Cyber Cafe have been authorised to provide the Municipal E-services. This project is under proposal stage. Road construction is being done with 20% contribution by community. Conversion of garbage collection centers in localities into parks and ward offices. |



14. Appraisal of Optional Reforms – Allahabad

14.1 O1 – Functions of Optional Reforms Not Transferred to ANN

Many of the functions addressed in the optional level reforms are not transferred to the ULB. Thus mainly two optional reforms are not kicked off at Allahabad Nagar Nigam (ANN). Brief discussion on the status of all three reforms is presented in table below.

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|-----------------------|------------------------|---|
| Introduction Of Property Title Certification System In ULBs | 2011-12 | In progress with delay | Property Title Certification Act is in the process of adoption at the State level. |
| Computerization Of All The Property Records Against Ownership | 2010-11 | In progress with delay | The present system is computerised for land records/ registration in the Offices of the Registrar/Sub-Registrars. Property Assessment Registers with the ownership/occupier details exist in the Zonal Offices of ANN |
| Simplification of Legal and Procedural Framework for conversion of Agricultural Land to Non-Agricultural Land | No Timeline specified | No initiative taken | Revenue department is empowered to look into the matters related to conversion of Agricultural land to Non Agricultural. No progress on this reform |

14.2 O2 – Revision of Building Byelaws to Streamline the Approval Process

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|---|
| Revision of Building bylaws to streamline Approval Process | | | |
| Consultations with Stakeholders on modifications of Byelaws | No info | Completed | Building Plan approval is responsibility of District Development Authority whereas ULBS would provide the NOC to the builders/Architects. However issuance of NOC is not a practice in Allahabad Nagar Nigam. |
| Identification & Finalization of modification in Byelaws to streamline approval | 2006-07 | Completed | As directed by GoUP , VDA adopted byelaws in February 2009 in order to streamline the approval process. It was mentioned during the state level discussion that stakeholder consultation at state level has been done and accordingly GoUP issued GO to all Urban |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|---|
| | | | <p>Development Authority dated 4th JAN 2008 to make revision in Building byelaws for simplification of the process of sanction of Building Plan.</p> <p>Building Plan approval is responsibility of Allahabad Development Authority (ADA) and it has adopted byelaws in November 2008 in order to streamline the approval process.</p> <p>It states that No building plan needs to get sanction upto 100 sq. mt area in old constructed area of the city. In case of Single Residential Plots, up to 300 Sqm, the allottee will be given Standard Building Plan, at the time of Registry and following the Set -Back as per Building Bye Laws, the sanction of Building Plan is not required.</p> |
| Defining Mitigation Measures for Natural Disaster in Byelaws | 2006-07 | Completed with Delay | Mitigation measures for fire, earthquake etc have been incorporated in Building Byelaws. |
| Amendment of existing legislation to introduce new Byelaws & Notification | 2007-08 | Completed | The GoUP revised the Building Byelaws in 2008 and the ADA adopted the byelaws in order to streamline the approval process. |
| Dissemination of New Byelaws through Website | No info | Completed | Byelaws are available on Allahabad Development Authority's website http://ada.iiita.ac.in/ |
| City level Public Workshops to address queries | 2007-08 | Completed | Through telephone, website & personal in Mitra – Diwas in the month of 2 nd Wednesday |
| Setting MIS Sys linked to all offices having bearing on Building Permission | 2007-08 | Not Initiated | <p>Presently no such system but Initially at state level Birla Soft was appointed for the MIS system, however its was discontinued.</p> <p>Present process is manual.</p> <p>Full integrated building plan approval system shall be developed at state level in line with the approved DPR.</p> |
| Start of approval as per new byelaws | 2008-09 | Completed | Started from 2009. |
| Establishment of Interactive Citizen Enquiry Sys for Building Plan Approval | 2008-09 | In progress | Public Enquires can be done through the email and posting queries on the website. |
| Maximum Reduction of Average time for Building Sanction | 2008-09 | In progress with delay | Streamlining the approval process is under progress. Building plan approval time limit has been capped at 30 days and 90 days for residential and commercial buildings respectively. ADA |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|---|
| (Residential :7 days, Commercial :10 days) | | | also specified that building sanctions have been given in majority of cases as per the time limit specified in Building bylaws. Further reduction is only possible upon implementation of MIS system of all offices bearing NOC on Building Permission. ADA has dedicated wings for Map sanction and Monitoring activities. |

14.3 O3 – Revision of Building Byelaws to Make RWH Mandatory

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|----------------|---------------------------|---|
| Revision of building byelaws to make RWH Mandatory | | | |
| Final Design of RWH and decision on end use | 2008-09 | Completed as per Timeline | Achieved as per G.O. which is available at website http://www.ada.iiita.ac.in |
| Prep of Drafting Byelaws to reflect Mandatory Clauses of RWH | No info in MOA | Completed | The GoUP revised the Building Byelaws in 2008 and also issued GO in this regard. ADA adopted the byelaws in 2009. |
| Amendment of Existing legislation to introduce the new Byelaws & Notification | | Completed | Rain water harvesting has been made mandatory for construction of building more than 300 sq. mt under this byelaw. RWH will be mandatory for future buildings. |
| Dissemination of the new set of Building Byelaws thru Website | | Completed | Available on Awas Bandhu's website. |
| Start of Approval as per the new building byelaws | | Completed | Till date, 259 buildings plans have been sanctioned with RWH provisions. Further ADA has constituted Committee for monitoring the implementation of RWH and provision of security deposit is made mandatory. However, information pertaining to buildings already constructed with RWH provision is not known. |



14.4 O4 – Earmarking of Land for EWS/LIG Housing and a system of cross subsidy

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|--|
| Earmarking of land for EWS & LIG and a system for cross-subsidy | | | |
| Decision on the extent of reservation (20-25%). | 2007-08 | Completed with delay | <ul style="list-style-type: none"> Housing & Urban Development Department of the GoUP has announced Housing Policy 2009. GoUP has made reservation of 20% of saleable land for economically weaker sections (EWS) and low income group (LIG) for Housing Board & Development Authorities and private developers for upcoming townships. <p>GO has been issued by GoUP to all respective Area Development Authorities.</p> <ul style="list-style-type: none"> This provision of reservation is applicable for high-tech Township, integrated townships or PPP township scheme. <p>During the reform appraisal visit, ADA stated that one High-tech township has been sanctioned with such provision which is under implementation.</p> <p>However implementation of such provisions would require efficient implementation mechanism.</p> |
| Amendment of the existing legislation and notification. | 2008-09 | Appropriate GO issued. | |
| Timeline to improve the percentage of reservation for EWS/LIG in housing projects. | - | In Progress | |

14.5 O7 – Byelaws on reuse of recycled water

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|---------------------------|---|
| Byelaws on reuse of recycled water | | | |
| Final Design and decision on end use of WW Recycling Sys | 2007-08 | Completed as per timeline | GoUP adopted provisions related to Recycle/ Reuse of water as specified in National Building Code in Building Bylaws-2008 (Bhavan Upvidhi-2008). All Urban Development Authority adopted such Building Bylaws in 2008 |
| Prep of Drafting of Byelaws to reflect Mandatory Clauses of Wastewater Recycling System | 2008-09 | | |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|---------------------------|--|
| Amendment of Existing Legislation to introduce the new Byelaws & procedures | 2009-10 | | |
| Dissemination of the new set of Building Byelaws through Website | 2009-10 | Completed as per timeline | The Technique and Design of Rain Water Harvesting/Reuse of Water is available on Awas Bandhu Website, www.awasup.nic.in |
| City level Public Workshops to address queries | 2009-10 | Not initiated | Not initiated by ADA |
| Start of approval as per new byelaws | 2009-10 | | Not started. |

14.6 O8 – Administrative Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|---|---|
| Administrative Reforms | | | |
| Rationalisation of HR - Identification Of loopholes in existing staffing | 2008-09 | In progress with Delay at State level Not initiated at ANN level | GoUP constituted committee under the chairmanship of Director of Local Bodies in 2006 to establish norms for the Categorization, Up gradation, Reorganization and the Rationalisation of the Human Resources in ULB. The Committee has already submitted its report to GoUP. The finance department of GoUP has already approved recommendation of DLB. Presently awaiting cabinet approval. Upon approval from the cabinet many post such as accounting cadre, revenue cadre, IT cadre, environment engineer, city managers shall be created at ULB level. Further staffing norms shall be created at ULB level. |
| Rationalisation of HR - Draft Proposal for changing Staffing Policy | 2008-09 | Not Initiated | At state level, such report has been submitted. Which has been recently approved by Finance department of GoUP and awaiting cabinet approval. No initiative at ULB level |
| Rationalisation of HR – Drafting Proposal for reforms in Performance Evaluation System | 2008-09 | | |
| Rationalisation of HR - Employee Consultation | 2008-09 | In progress at ANN Level | Monthly Departmental level meetings have been organised regularly at ANN level. |
| Rationalisation of HR - Discussions with various ULB departments | 2008-09 | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------------------|---|
| Rationalisation of HR - Cabinet Approval | 2008-09 | In progress with Delay at state level | The committee has submitted its report which is awaiting the cabinet approval. |
| Rationalisation of HR - Preparation of enabling legislations | 2008-09 | Not Initiated | No such Legislation. |
| Staff Training - Assessment of training needs | 2008-09 | In progress with delay | Training Need Assessment study conducted by Technical Cell of GoI. However such study has not been conducted at state level. However at state level, regular training has been organised by UP Administrative Academy & Institution of Public Administration on different subjects of Urban Governance, SWM, Disaster Management, GIS based utility mapping for urban planning and management and Bio medical waste management. It has also circulated training calendar. However ANN is yet to send its staff members to attend above trainings. No actions at ULB level owing to absence of HR personnel in ANN. No such initiative at ULB level. |
| Staff Training - Finalisation of training curriculum | 2008-09 | Not Initiated | |
| Staff Training - Selection of agencies to provide training | 2008-09 | In Progress with delay | Training on ad hoc basis. |
| Staff Training - Conducting of training | 2008-09 | | |
| Staff Training - Training Programmes identified | 2008-09 | | |
| Reduction in Establishment Expenditure – Outsourcing of certain functions | 2007-08 | In progress with delay | Agreement has been signed for development of SWM on PPP basis. However feasibility has not been examined. Further Bus stations are being developed on PPP basis. |
| Reduction in Establishment Expenditure – Higher Capacity Utilisation | 2007-08 | | No such initiative |
| Reduction in Establishment Expenditure – Energy Saving | 2007-08 | | LED based solar street lighting is proposed. However Energy Audit is yet to be initiated. |
| Continuity of Tenure of Key Personnel – Minimum Average Tenure of MC | No info | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--|----------------|---|
| Management Review System – Periodic Review by Mayor & MC | 2007-08 | In progress | Regular monthly review meeting is organised as per schedule chaired by Municipal Commissioner & Additional Municipal Commissioner. No formal system |
| Management Review System – Generation of performance reports | 2007-08 | Not Initiated | MIS at state level; No such formal system at ULB level |
| Best Target Staff Deployment * | No info | Not Initiated | No such initiative at ULB level |
| Evolution of detailed training plan | 2007-08 | Not Initiated | GoUP appointed UP Administrative Academy as Nodal agency for Training of ULB staff. However ANN is yet to send its staff for availing trainings. |
| Least Establishment Expenditure during mission year* (23%) | 2009-10 - 55% 2010-11 - 53% | Not Initiated | No progress reported. |
| Ensuring stability of tenure for MC and other staff | It is written in MoA that Not possible | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11 |

14.7 O9 – Structural Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------------------------|------------------------|---|
| Structural Reforms | | | |
| New Initiatives planned within organisation | No info in MOA | In progress | Municipal services are decentralized to all 5 zones and connected with H.O. Administrative powers have been assigned to Zonal officers |
| New Initiatives planned for inter-agency coordination | 2007-08 | In progress with Delay | Efforts have been started to formulate the action plan to improve coordination amongst city level agencies like ADA, DUDA, Jal kal vibhag & Jal Nigam through correspondence, telephone, e-mail, and website. |
| New State Level Structural Reforms for creation of cadre for different technical disciplines | Cadre Restructuring June 2007 | In progress with delay | Staffing need assessment study has been completed by the DLB and submitted to GoUP. It stated creation of certain post for the different technical disciplines. Finance department of GoUP has already approved recommendation and presently awaiting cabinet approval. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|-------------------|-------------|----------------|-------------------------------------|
| Citizen Charter | | | Not Published |

14.8 O10 – Encouraging PPP

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|----------------|--|
| Encouraging PPP | | | |
| List down the State level regulatory and policy initiatives planned for encouraging and deepening PPP in urban services | No timeline | In progress | GoUP amended the UP Municipal Act, 1916 in September 2009 and empowered the ULBs to enter into PPP agreement with private sector to implement the Infrastructure projects and discharge the services. Further GoUP issued GO to each ULB for development of following facilities on PPP basis viz. Parking places, Modernization of Slaughter house. |
| List down the city level project initiatives planned through PPP in the next three years | Dec 2008 | In progress | Agreement has been signed for Development of SWM through PPP basis and in advance stage of completion. ANN also introduced the SWM user charges without any feasibility study. City Bus a stations are being developed on PPP basis where in private developer would construct and maintain the Bus stations and get the advertisement rights. However development of O & M of street lighting is in proposal stage. Overall, ANN has taken PPP projects initiatives on SWM through PPP, Electric Crematorium, Traffic Signals through Solar Light, Public Toilets, Bus shelters /Traffic Post, Parks Beautification, Cyber Citizen Points A project for O&M of slaughter houses has been initiated and is in tendering stage. |



15. Appraisal of Optional Reforms – Varanasi

15.1 O1 – Functions of Optional Reforms Not Transferred to VNN

Many of the functions addressed in the optional level reforms are not transferred to the ULB. Thus mainly two optional reforms are not kicked off at VNN. Brief discussion on the status of the three reforms is presented in table below.

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|---|
| Introduction Of Property Title Certification System In ULBs | 2011-12 | In progress with delay | Property Title Certification Act is in the process of adoption at the State level. |
| Computerization Of All The Property Records Against Ownership | 2010-11 | In progress with delay | The present system is computerised for land records/ registration in the Offices of the Registrar/Sub-Registrars. Property Assessment Registers with the ownership/occupier details exist in the Zonal Offices of VNN |
| Simplification of Legal and Procedural Framework for conversion of Agricultural Land to Non-Agricultural Land | No Timeline specified | No initiative taken | Revenue department is empowered to look into the matters related to conversion of Agricultural land to Non Agricultural. No progress on this reform |

15.2 O2 – Revision of Building Byelaws to Streamline the Approval Process

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|----------------|---|
| Revision of Building bylaws to streamline Approval Process | | | |
| Consultations with Stakeholders on modifications of Byelaws | No info | Completed | Building Plan approval is responsibility of District Development Authority whereas ULBS would provide the NOC to the builders/Architects. |
| Identification & Finalization of modification in Byelaws to streamline approval | 2006-07 | Completed | As directed by GoUP , VDA adopted byelaws in February 2009 in order to streamline the approval process. It was mentioned during the state level discussion that Stakeholder consultation at state level has been done and accordingly GoUP issued GO to all Urban Development Authority dated 4th JAN 2008 to make revision in Building byelaws |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|-------------|------------------------|--|
| | | | for simplification of the process of sanction of Building Plan. It states that No building plan needs to get sanction upto 100 sq. mt area in old constructed area of the city. In case of Single Residential Plots, up to 300 Sqm, the allottee will be given Standard Building Plan, at the time of Registry and following the Set -Back as per Building Bye Laws, the sanction of Building Plan is not required. |
| Defining Mitigation Measures for Natural Disaster in Byelaws | 2006-07 | Completed with Delay | Mitigation measures for fire, earthquake etc have been incorporated in Building Byelaws. |
| Amendment of existing legislation to introduce new Byelaws & Notification | 2007-08 | Completed | The GoUP revised the Building Byelaws in 2008 and the VDA adopted the byelaws in order to streamline the approval process. |
| Dissemination of New Byelaws through Website | No info | Completed | Byelaws available on VDA website |
| City level Public Workshops to address queries | 2007-08 | completed | City level workshop was organised. |
| Setting MIS Sys linked to all offices having bearing on Building Permission | No info | In progress | VDA has signed MoU with M/s Acme Digitech Solutions Pvt Ltd for development of MIS system which is under testing stage presently. Full integrated building plan approval system shall be developed at state level. |
| Start of approval as per new byelaws | 2008-09 | completed | Started from 2009 |
| Establishment of Interactive Citizen Enquiry Sys for Building Plan Approval | 2008-09 | In progress | Public Enquires can be done through the email and posting queries on the website. |
| Maximum Reduction of Average time for Building Sanction (Residential :7 days, Commercial :10 days) | 2008-09 | In progress with delay | Process seems to be simplified. Building plan approval time limit has been capped at 30 days and 90 days for residential and commercial buildings. VDA also specified that building sanctions have been given in majority of cases as per the time limit specified in Building bylaws. Further reduction is only possible upon implementation of MIS system of all offices bearing NOC on Building Permission. |



15.3 O3 – Revision of Building Byelaws to Make RWH Mandatory

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|----------------|---------------------------|--|
| Revision of building byelaws to make RWH Mandatory | | | |
| Final Design of RWH and decision on end use | 2008-09 | Completed as per Timeline | Rain water harvesting bye laws are part of the building bye laws and it is responsibility of District Development Authority where ULBS would provide the NOC to the builders/Architects. During the state level discussion it was mentioned that design of the Rain Water Harvesting has been finalised at State Level. It becomes the part of Rain Water Harvesting Manual and RWH mandatory in new Building Byelaws 2008. |
| Prep of Drafting Byelaws to reflect Mandatory Clauses of RWH | No info in MOA | Completed | <ul style="list-style-type: none"> ■ The GoUP revised the Building Byelaws in 2008 and also issued GO in this regard. VDA adopted the byelaws in 2009. ■ Rain water harvesting has been made mandatory for construction of building more than 300 sq. mt under this byelaw. ■ RWH will be mandatory for future buildings. |
| Amendment of Existing legislation to introduce the new Byelaws & Notification | | Completed | |
| Dissemination of the new set of Building Byelaws thru Website | | In Progress | |
| Start of Approval as per the new building byelaws | | Completed | Approximately 356 buildings plans sanctioned and 78 buildings plans sanctioned with RWH provisions 2012-13. Of which 4 buildings have been constructed with RWH provisions. In total the city has 62 RWH structures till date. However, VDA needs to ensure that all the properties where permission of RWH has been provided; are completed and taken on record. Further VDA has constituted Committee for monitoring the implementation of RWH and security deposit is made mandatory for RWH with the rate of Rs 20,000 for residential and Rs 50,000 for commercial/ group housing. |



15.4 O4 – Earmarking of Land for EWS/LIG Housing and a system of cross subsidy

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|---------------|------------------------|---|
| Earmarking of land for EWS & LIG and a system for cross-subsidy | | | |
| Decision on the extent of reservation (20-25%) | 2007-08 | Completed with delay | <ul style="list-style-type: none"> Housing & Urban Development Department of the GoUP has announced Housing Policy 2009. GoUP has made reservation of 20% of saleable land for economically weaker sections (EWS) and low income group (LIG) for Housing Board & Development Authorities and private developers for upcoming townships. This provision of reservation is applicable for high-tech township, integrated townships or PPP township scheme. <p>VDA Authority stated that presently there is no high-tech township, integrated townships or PPP township scheme.</p> |
| Amendment of the existing legislation and notification | 2008-09 | Appropriate GO issued. | |
| Timeline to improve the percentage of reservation for EWS/LIG in housing projects | 2009-10 - 25% | In Progress | |

15.5 O7 – Byelaws on reuse of recycled water

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|---------------------------|--|
| Byelaws on reuse of recycled water | | | |
| Final Design and decision on end use of WW Recycling Sys | 2007-08 | Completed as per timeline | <p>GoUP adopted provisions related to Recycle/ Reuse of water as specified in National Building Code in Building Bylaws-2008 (Bhavan Upvidhi-2008). All Urban Development Authority adopted such Building Bylaws in 2008</p> <p>STP has been commissioned for recycle and reuse of water in Lalpur housing Scheme of VDA.</p> <p>Provision for STP has also been made in River front development project at Katehar.</p> |
| Prep of Drafting of Byelaws to reflect Mandatory Clauses of Wastewater Recycling System | 2008-09 | | |
| Amendment of Existing Legislation to introduce the new Byelaws & procedures | 2009-10 | | |
| Dissemination of the new set of Building Byelaws through Website | 2009-10 | Completed as per timeline | The Technique and Design of Rain Water Harvesting/Reuse of Water is available on Awas Bandhu Web-site, www.awasup.nic.in |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|-------------|----------------|-------------------------------------|
| City level Public Workshops to address queries | 2009-10 | | Completed. |
| Start of approval as per new byelaws | 2009-10 | | Started. |

15.6 O8 – Administrative Reforms

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|-------------|--------------------------|---|
| Administrative Reforms | | | |
| Rationalisation of HR - Identification Of loopholes in existing staffing | 2008-09 | In progress with Delay | GoUP constituted committee under the chairmanship of Director of Local Bodies in 2006 to establish norms for the Categorization, Up gradation, Reorganization and the Rationalisation of the Human Resources in ULB. The Committee has already submitted its report to GoUP. The finance department of GoUP has already approved recommendation of DLB. Presently awaiting cabinet approval. Upon approval from the cabinet many post such as accounting cadre, revenue cadre, IT cadre, environment engineer, city managers shall be created at ULB level. Further staffing norms shall be created at ULB level. It has been preparing Training Need Assessment study and subsequently capacity building DPR shall be prepared at VNN level. |
| Rationalisation of HR - Draft Proposal for changing Staffing Policy | 2008-09 | Not Initiated | At state level such report has been submitted which has been recently approved by Finance department of GoUP and awaiting cabinet approval. No initiative at ULB level. |
| Rationalisation of HR – Drafting Proposal for reforms in Performance Evaluation System | 2008-09 | | |
| Rationalisation of HR - Employee Consultation | 2008-09 | In progress at VNN Level | Monthly Departmental level meetings have been organised regularly. |
| Rationalisation of HR - Discussions with various ULB departments | 2008-09 | | |
| Rationalisation of HR - Cabinet Approval | 2008-09 | In progress with Delay | Cabinet approval accorded for revenue cadre, account cadre, PPP model, revision of scale of JE, approval of |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|------------------------|--|
| | | | reorganization of revenue cadre & reorganization of ULB executive cadre. |
| Rationalisation of HR - Preparation of enabling legislations | 2008-09 | Not Initiated | No such Legislation. |
| Staff Training - Assessment of training needs | 2008-09 | In progress with delay | <p>Training Need Assessment study conducted by Technical Cell of GoI. However such study has not been conducted at state level. However at state level regular training has been organised by UP Administrative Academy & Institution of Public Administration on different subjects of Urban Governance, SWM, Disaster Management, GIS based utility mapping for urban planning and management and Bio medical waste management. It has also circulated training calendar.</p> <p>At VNN level Training Need Assessment study is being prepared.</p> <p>Presently Two accounting staff being trained and periodic training for new introduced E- Governance system have been given to employees on ad hoc basis. No structured efforts in this respect.</p> <p>Preparation of Training Curriculum is part of Training Need Assessment Report.</p> |
| Staff Training - Finalisation of training curriculum | 2008-09 | In Progress with delay | |
| Staff Training - Selection of agencies to provide training | 2008-09 | In Progress with delay | Persons of Accounting staff are being trained on DEAS by CA firm appointed for implementation of DAES However respective staff members have been sent to attend workshops and conference. |
| Staff Training - Conducting of training | 2008-09 | | |
| Staff Training - Training Programmes identified | 2008-09 | | |
| Reduction in Establishment Expenditure – Outsourcing of certain functions | 2007-08 | In progress with delay | <p>Following functions have bene outsourced:</p> <p>Primary Sweeping, Energy saving, Collection & segregation of solid waste, Slaughter house modernization Street light Parking, Park maintenance, Operation of tube well, Computerization system, LED light installation,</p> |
| Reduction in Establishment Expenditure – Higher Capacity Utilisation | 2007-08 | | |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|--|----------------|--|
| | | | SCADA system installation |
| Reduction in Establishment Expenditure – Energy Saving | 2007-08 | | Energy audit has been conducted and DPR is prepared |
| Continuity of Tenure of Key Personnel – Minimum Average Tenure of MC | No info | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |
| Management Review System – Periodic Review by Mayor & MC | 2007-08 | In progress | Regular Weekly & monthly review meeting is organised as per schedule chaired by Municipal Commissioner & Addl. Municipal. Commissioner |
| Management Review System – Generation of performance reports | 2007-08 | Not Initiated | MIS at state level. Progress of different projects is uploaded monthly on Director, Local body/SLNA website www.localbodies.up.nic.in |
| Best Target Staff Deployment * | No info | Not Initiated | VNN has given 'achieved' status to this reform. However no information is available for validation. |
| Evolution of detailed training plan | 2007-08 | In progress | GIZ has done the study on training need assessment and submitted the draft report for approval. SLNA has identified short & long term training programme and submitted to Gol for approval. |
| Least Establishment Expenditure during mission year* (23%) | 2009-10 - 55%, 2010-11 - 53%, | | No new recruitment policy is being followed to reduce the expenditure |
| Ensuring stability of tenure for MC and other staff | It is written in MoA that Not possible | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11 and 2011-12 |

15.7 09 – Structural Reforms

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|----------------|----------------|--|
| Structural Reforms | | | |
| New Initiatives planned within organisation | No info in MOA | Completed | Decentralization of Zonal Offices has been completed. Five Zonal offices have been established. Administrative powers have been assigned to Zonal Officers. Core services such as sanitation, sewerage, property tax demand and |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|--|------------------------------|------------------------|--|
| | | | collections are being maintained at Zonal Offices. |
| New Initiatives planned for inter-agency coordination | 2007-08 | In progress with Delay | Coordination is done at Divisional Commissioner level. Meetings are being regularly conducted under the chairmanship of Divisional Commissioner & Municipal commissioner to review & monitor the progress of the projects with other govt department i.e. VDA , DUDA, Jal Nigam. |
| New State Level Structural Reforms for creation of cadre for different technical disciplines | Cadre Restructuring May 2007 | In progress with delay | Staffing need assessment study has been completed by the DLB and submitted to GoUP. It stated creation of certain post for the different technical disciplines. VNN informed that the State Government has accepted the report and the necessary action is being taken. |

15.8 O10 – Encouraging PPP

| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|---|-------------|----------------|---|
| Encouraging PPP | | | |
| List down the State level regulatory and policy initiatives planned for encouraging and deepening PPP in urban services | No timeline | In progress | GoUP amended the UP Municipal Act, 1916 in September 2009 and empowered the ULBs to enter into PPP agreement with private sector to implement the Infrastructure projects and discharge the services. Further GoUP issued GO to each ULB for development of following facilities on PPP basis viz. Parking places, Modernization of Slaughter house and electric crematorium |
| List down the city level project initiatives planned through PPP in the next three years | Dec 2008 | Completed | <ul style="list-style-type: none"> Door to door collection of solid waste is already behind started by M/s A2Z Infrastructure from 1st may 2010. Tender for slaughter house waste management is complete and agency will be selected soon. DPR for street food is prepared and submitted for approval to Gol. |



| Reform milestones | Target year | Current status | Cumulative progress Till March 2014 |
|-------------------|-------------|----------------|---|
| | | | <ul style="list-style-type: none">• Renovation of Electric Crematorium at Harishchandra Ghat under PPP with NGO. Efforts are being initiated for privatising O&M of the facility. Advertising rights have been proposed for revenue generation.• To stop encroachments on ponds, public participation has been sought. "Nigrani Samiti" were formed with participation from ULB staff, VDA, district administration and citizenry. |





16. Appraisal of Optional Reforms – Agra

16.1 O1 – Functions of Optional Reforms not transferred to ANN

Many of the functions addressed in the optional level reforms are not transferred to the ULB. Brief discussion on the status of all the three reforms is presented in table below.

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|---|
| Introduction Of Property Title Certification System In ULBs | 2011-12 | In progress with delay | Property Title Certification Act is in the process of adoption at the State level. |
| Computerization Of All The Property Records Against Ownership | 2010-11 | In progress with delay | The present system is computerised for land records/ registration in the Offices of the Registrar/Sub-Registrars. Property Assessment Registers with the ownership/occupier details exist in the Zonal Offices of ANN |
| Simplification of Legal and Procedural Framework for conversion of Agricultural Land to Non-Agricultural Land | No Timeline specified | No initiative taken | Revenue department is empowered to look into the matters related to conversion of Agricultural land to Non Agricultural. No progress on this reform |

16.2 O2 – Revision of Building Byelaws to Streamline the Approval Process

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|----------------|---|
| Revision of Building bylaws to streamline Approval Process | | | |
| Consultations with Stakeholders on modifications of Byelaws | No Timeline indicated | Completed | Stakeholder consultation at state level has been done and accordingly GoUP issued GO to all Urban Development Authority dated 4th JAN 2008 to make revision in Building byelaws for simplification of the process of sanction of Building Plan. |
| Identification & Finalization of modification in Byelaws to streamline approval | 2006-07 | Completed | Building Plan approval is responsibility of District Development Authority. As directed by GoUP, Agra Development Authority adopted byelaws in order to streamline the approval process. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|---|
| | | | It states that No building plan needs to get sanction up to 100 sq. mts area in old constructed area of the city. In case of Single Residential Plots, up to 300 sq. mts, the allottee will be given Standard Building Plan, at the time of Registry and following the Set -Back as per Building Bye Laws, the sanction of Building Plan is not required. |
| Defining Mitigation Measures for Natural Disaster in Byelaws | 2006-07 | Completed with Delay | Mitigation measures for fire, earthquake etc have been incorporated in Building Byelaws. |
| Amendment of existing legislation to introduce new Byelaws & Notification | No Timeline indicated | Completed | The GoUP revised the Building Byelaws in 2008 and the Agra Development Authority adopted the byelaws in order to streamline the approval process. |
| Dissemination of New Byelaws through Website | 2007-08 | Completed With Delay | Available on Agra Development Authority website www.ada-agra.com |
| City level Public Workshops to address queries | No Timeline indicated | Completed | Initially Workshops and Camp organised at state level. |
| Setting MIS Sys linked to all offices having bearing on Building Permission | 2007-08 | In progress with Delay | A state level software has been prepared named "avasbandu" for building permissions. Development of Local Level software is in progress by ADA. |
| Start of approval as per new byelaws | No Timeline indicated | completed | Started |
| Establishment of Interactive Citizen Enquiry Sys for Building Plan Approval | 2008-09 | In progress | Public Enquires can be done through the email and posting queries on the website. |
| Maximum Reduction of Average time for Building Sanction (Residential :7 days, Commercial :10 days) | 2008-09 | In progress | Process seems to be simplified. Time for approval reduced from 90 days to 30 days. Weak Implementation is area of concern. |

16.3 O3 – Revision of Building Byelaws to Make RWH Mandatory

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|-------------------------------------|
| Revision of building byelaws to make RWH Mandatory | | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------|--|
| Final Design of RWH and decision on end use | 2008-09 | Completed as per Timeline | Design of the Rain Water Harvesting has been finalised at State Level. It becomes the part of Rain Water Harvesting Manual and RWH mandatory in new Building Byelaws 2008. |
| Prep of Drafting Byelaws to reflect Mandatory Clauses of RWH | 2008-09 | Completed | The GoUP revised the Building Byelaws in 2008 and also issued GO in this regard. Agra Development Authority adopted the byelaws in 2009. |
| Amendment of Existing legislation to introduce the new Byelaws & Notification | 2008-09 | Completed | Rain water harvesting has been made mandatory for construction of building more than 300 sq. mt under this byelaw. 50 RWH structures have been instituted till date. |
| Dissemination of the new set of Building Byelaws thru Website | 2008-09 | Completed | Copy is uploaded on Agra Development Authority's website. |

16.4 O4 – Earmarking of Land for EWS/LIG Housing and a system of cross subsidy

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|---|
| Earmarking of land for EWS & LIG and a system for cross-subsidy | | | |
| Decision on the extent of reservation (20-25%) | 2008-09 | Completed with delay | Housing & Urban Development Department of the GoUP has announced Housing Policy 2009. GoUP has made reservation of 20% of saleable land for economically weaker sections (EWS) and low income group (LIG) for Housing Board & Development Authorities and private developers for upcoming townships. GO has been issued by GoUP to all respective Area Development Authorities. In Housing Policy Statement for integrated townships and high tech townships, 10% plots are reserved for EWS and 10% for LIG. |
| Amendment of the existing legislation and notification | 2009-10 | Appropriate GO issued. | |
| Timeline to improve the percentage of reservation for EWS/LIG in housing projects | No timeline | In Progress | |



16.5 07 – Byelaws on reuse of recycled water

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------|---|
| Byelaws on reuse of recycled water | | | |
| Final Design and decision on end use of WW Recycling Sys | 2007-08 | Completed as per timeline | GoUP adopted provisions related to Recycle/ Reuse of water as specified in National Building Code in Building Bylaws-2008 (Bhavan Upvidhi-2008). All Urban Development Authority adopted such Building Bylaws in 2008 |
| Prep of Drafting of Byelaws to reflect Mandatory Clauses of Wastewater Recycling System | 2008-09 | | |
| Amendment of Existing Legislation to introduce the new Byelaws & procedures | 2009-10 | | |
| Dissemination of the new set of Building Byelaws through Website | 2009-10 | Completed as per timeline | The Technique and Design of Rain Water Harvesting/Reuse of Water is available on Awas Bandhu Web-site, www.awasup.nic.in |
| City level Public Workshops to address queries | 2009-10 | | Not initiated by Agra Development Authority. However, in partnership with CURE, a Decentralised Waste Water Treatment System (DEWAT) has been designed in the city. The plant has been designed for 50 KL capacity and treats waste water coming from almost 7 slums settlement. The case study has been selected as best practice for National Urban Water Award of GOI for 2011. |
| Start of approval as per new byelaws | 2009-10 | | Started |

16.6 08 – Administrative Reforms

| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|-------------|---------------------------|--|
| Administrative Reforms | | | |
| Rationalisation of HR - Identification Of loopholes in existing staffing | 2008-09 | Completed as per timeline | GoUP Constituted Committee Under The Chairmanship Of Director Of Local Bodies In 2006 To Establish Norms For The Categorization, Up Gradation, Reorganization And The Rationalisation Of The Human Resources In ULB. The Committee Has Already Submitted Its Report To GoUP Which Is At Deliberation Stage. |



| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|-------------|---------------------------------------|---|
| | | | Upon Approval, Several Posts Will Be Created And Staffing Norms Will Be Created For ULBs. |
| Rationalisation of HR - Draft Proposal for changing Staffing Policy | 2008-09 | | A committee was constituted vide GO no. 1495/9-1-2006 dated 12, June 2006 to establish norms for the categorization, up gradation, reorganization and the rationalization of the Human Resources by determining the work load in the ULB's. The report has been submitted and acted upon by the State Government. As per the report submitted to State Government on 22.5.2009, the staffing policy at different levels of ULB has been recommended. Regular discussions were conducted with following Departments. No Initiative At ULB Level |
| Rationalisation of HR – Drafting Proposal for reforms in Performance Evaluation System | 2008-09 | | |
| Rationalisation of HR - Employee Consultation | 2008-09 | Not Initiated | No Progress Reported |
| Rationalisation of HR - Discussions with various ULB departments | 2008-09 | Not initiated | |
| Rationalisation of HR - Cabinet Approval | 2008-09 | In progress with Delay at State Level | The Committee Has Submitted Its Reports Which Are Waiting The Cabinet Approval. |
| Rationalisation of HR - Preparation of enabling legislations | 2008-09 | Not initiated | Absence Of Such Legislation |
| Staff Training - Assessment of training needs | 2007-08 | In progress with delay | Assessment of training needs was conducted in April 2009 by Technical cell of GOI and pending with GOI for further action. However State level Training calendar circulated by UP administrative training Academy & Institute of Public Administration Lucknow. No Actions Taken At ULB Level. Only Three |
| Staff Training - Finalisation of training curriculum | 2007-08 | In Progress with delay | ANN Informed that training calendar has been prepared. |
| Staff Training - Selection of agencies to provide training | 2007-08 | In Progress with delay | ANN Informed that the staffs are given regular training By RCUES And UP Administrative Training Academy, Which Have Been Nominated As A |
| Staff Training - Conducting of training | 2007-08 | | |



| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|---|--------------|------------------------|---|
| Staff Training - Training Programmes identified | 2007-08 | | Resource Centre For Training To ULB By State Govt. EGIS Bceom India, Faridabad Has Also Provided Training To AMC Staff. Currently E-Tendering Training Is Ongoing. |
| Reduction in Establishment Expenditure – Outsourcing of certain functions | 2008-09 | In progress with delay | Parks, Public Toilets, Bus Shelters, Traffic Signals Are Being Implemented Under PPP. |
| Reduction in Establishment Expenditure – Higher Capacity Utilisation | 2008-09 | | Civic Centre And Zonal Offices Are Used For Better Capacity Utilisation. |
| Reduction in Establishment Expenditure – Energy Saving | 2008-09 | In progress with delay | BEE Is Roped In By The AMC For O&M Of Street Lighting And Implementation Of Solar Lights. |
| Continuity of Tenure of Key Personnel – Minimum Average Tenure of MC | Not Possible | In progress | Goup Declared Zero Transfer Session For Year 2009-10 And 2010-11 ; Not possible (As per MOA). |
| Management Review System – Periodic Review by Mayor & MC | 2008-09 | In progress | Monthly review Meetings are held by Hon's Minister, Principal Sec, director LB, Commissioner, District Magistrate, Commissioner |
| Management Review System – Generation of performance reports | 2008-09 | Not Initiated | MIS At State Level. No Such Formal System At ULB Level |
| Best Target Staff Deployment * | No info | Not Initiated | Absence Of Such Initiative At ULB Level |
| Evolution of detailed training plan | No info | State level Initiated | Goup Appointed UP Administrative Academy And Nominated It As Nodal Agency For Training Of ULB Staff. A Training Calendar Is Prepared By AMC And Submitted To Directorate. HRD Officer In PIU Manages The Training Programmes |
| Least Establishment Expenditure during mission year* (25%) | 2009-10 | | GO No. 3988/9-2010-203, Dt 7.12.10 Has Been Issued To Fill The Vacant Post Only Through Outsourcing. |
| Ensuring stability of tenure for MC and other staff | Not possible | In progress | Goup Declared Zero Transfer Session For Year 2009-10 And 2010-11. |



16.7 O9 – Structural Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--------------------|---------------------------|--|
| Structural Reforms | | | |
| New Initiatives planned within organisation | 2007-08 to 2009-10 | Completed as per timeline | 4 Zonal Offices have been started which are maintaining core services like Health, water supply, sanitation, sewerage, collection of Tax, collection of water and sewer tax. |
| New Initiatives planned for inter-agency coordination | No timeline | In Progress | Monthly, bimonthly meetings are held at Divisional Commissioner, Principal Secretary and Hon'ble Minister Urban Development level. Inter-institutional coordination committee has been formed and meeting are regularly held in the chairmanship of divisional commissioner, Agra. Weekly meeting are being held with all the departments concerned with JNNURM projects |
| New State Level Structural Reforms for creation of cadre for different technical disciplines | 2009-10 | In progress with delay | Staffing need assessment study has been completed by the DLB and submitted to GoUP. It stated creation of certain post for the different technical disciplines. Final Decision on the state level has not been taken yet. Revenue staff cadre has been reviewed. The Environmental Engineer cadre for ULB has been created and posted at AMC. |
| Citizen Charter | No timeline | Completed | Prepared |

16.8 O10 – Encouraging PPP

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|---|
| Encouraging PPP | | | |
| List down the State level regulatory and policy initiatives planned for encouraging and deepening PPP in urban services. | No timeline | In progress | GoUP amended the UP Municipal Act, 1916 in September 2009 and empowered the ULBs to enter into PPP agreement with private sector to implement the Infrastructure projects and discharge the services. Further GoUP issued GO to each ULB for development of following |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|--|
| | | | facilities on PPP basis i.e. parking places and modernization of Slaughter house. |
| List down the city level project initiatives planned through PPP in the next three years. | 2009-10 | Completed | Following projects are being implemented on PPP viz. Public toilets, Traffic Signals, Bus Shelters, SWM and Slaughter House, Foot-over bridge, solar traffic signals, parks Recently a footover bridge has been constructed on PPP basis based on advertising rights given to the concessionaire. |





17. Appraisal of Optional Reforms – Mathura

17.1 O1 – Functions of Optional Reforms not Transferred

Many of the functions addressed in the optional level reforms are not transferred to the ULB. Brief discussion on the status of all the three reforms is presented in table below.

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|--|
| Introduction Of Property Title Certification System In ULBs | 2011-12 | In progress with delay | Property Title Certification Act is in the process of adoption at the State level. |
| Computerization Of All The Property Records Against Ownership | 2010-11 | In progress with delay | The present system is computerised for land records/ registration in the Offices of the Registrar/Sub-Registrars. Property Assessment Registers with the ownership/occupier details exist in the Zonal Offices of MNNP |
| Simplification of Legal and Procedural Framework for conversion of Agricultural Land to Non-Agricultural Land | No Timeline specified | No initiative taken | Revenue department is empowered to look into the matters related to conversion of Agricultural land to Non Agricultural. No progress on this reform |

17.2 O2 – Revision of Building Byelaws to Streamline the Approval Process

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|------------------|---|
| Revision of Building bylaws to streamline Approval Process | | | |
| Consultations with Stakeholders on modifications of Byelaws | No Timeline indicated | Status not Known | Stakeholder consultation at state level has been done and accordingly GoUP issued GO to all Urban Development Authority dated 4th JAN 2008 to make revision in Building byelaws for simplification of the process of sanction of Building Plan. Building Plan approval is responsibility of District Development Authority and GoUP directed Development Authority to adopt revised Building Byelaws. |
| Identification & Finalization of modification in Byelaws to streamline approval | 2006-07 | | As directed by GoUP, Mathura Vrindaban Development Authority |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|----------------|--|
| Defining Mitigation Measures for Natural Disaster in Byelaws | 2006-07 | | <p>adopted byelaws in order to streamline the approval process.</p> <p>It states that no building plan needs to get sanction up to 100 sq. mts area in old constructed area of the city. In case of Single Residential Plots, up to 300 sq. mts, the allottee will be given Standard Building Plan, at the time of Registry and following the Set -Back as per Building Bye Laws, the sanction of Building Plan is not required.</p> <p>Process has been simplified and time for approval reduced from 90 days to 30 days.</p> |
| Amendment of existing legislation to introduce new Byelaws & Notification | No Timeline indicated | | |
| Dissemination of New Byelaws through Website | 2007-08 | | |
| City level Public Workshops to address queries | No Timeline indicated | | |
| Setting MIS Sys linked to all offices having bearing on Building Permission | 2007-08 | | |
| Start of approval as per new byelaws | No Timeline indicated | | |
| Establishment of Interactive Citizen Enquiry Sys for Building Plan Approval | 2008-09 | | |
| Maximum Reduction of Average time for Building Sanction (Residential :7 days, Commercial :10 days) | 2008-09 | | |

17.3 O3 – Revision of Building Byelaws to Make RWH Mandatory

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------|---|
| Revision of building byelaws to make RWH Mandatory | | | |
| Final Design of RWH and decision on end use | 2008-09 | Status not Known | <p>The GoUP revised the Building Byelaws in 2008 and also issued GO in this regard. Agra Development Authority adopted the byelaws in 2009.</p> <p>Rain water harvesting has been made mandatory for construction of building more than 300 sq. mt under this byelaw.</p> |
| Prep of Drafting Byelaws to reflect Mandatory Clauses of RWH | 2008-09 | | |
| Amendment of Existing legislation to introduce the new Byelaws & Notification | 2008-09 | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|-------------------------------------|
| Dissemination of the new set of Building Byelaws thru Website | 2008-09 | | MVDA website has the new bye-laws |

17.4 O4 – Earmarking of Land for EWS/LIG Housing and a system of cross subsidy

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|---|
| Earmarking of land for EWS & LIG and a system for cross-subsidy | | | |
| Decision on the extent of reservation (20-25%). | 2008-09 | Completed with delay | Housing & Urban Development Department of the GoUP has announced Housing Policy 2009. GoUP has made reservation of 20% of saleable land for economically weaker sections (EWS) and low income group (LIG) for Housing Board & Development Authorities and private developers for upcoming townships. In Housing Policy Statement for integrated townships and high tech townships, 10% plots are reserved for EWS and 10% for LIG. |
| Amendment of the existing legislation and notification. | 2009-10 | Appropriate GO issued. | |
| Timeline to improve the percentage of reservation for EWS/LIG in housing projects | No timeline | | |

17.5 O7 – Byelaws on reuse of recycled water

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------|--|
| Byelaws on reuse of recycled water | | | |
| Final Design and decision on end use of WW Recycling Sys | 2007-08 | Status not Known | GoUP adopted provisions related to Recycle/ Reuse of water as specified in National Building Code in Building Byelaws-2008 (Bhavan Upvidhi-2008). GoUP directed Development Authority to adopt such Building Byelaws in 2008. 28 MLD water is treated by STP and recycled for agriculture and other ancillary purposes and rest of the water is dumped into Yamuna |
| Prep of Drafting of Byelaws to reflect Mandatory Clauses of Wastewater Recycling System | 2008-09 | | |
| Amendment of Existing Legislation to introduce the new Byelaws & procedures | 2009-10 | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|-------------------------------------|
| Dissemination of the new set of Building Byelaws through Website | 2009-10 | | |
| City level Public Workshops to address queries | 2009-10 | | |
| Start of approval as per new byelaws | 2009-10 | | |

17.6 O8 – Administrative Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|---|--|
| Administrative Reforms | | | |
| Rationalisation of HR - Identification Of loopholes in existing staffing | 2008-09 | In progress at state level No Initiated at ULB level | GoUP constituted committee under the chairmanship of Director of Local Bodies in 2006 to establish norms for the Categorization, Up gradation, Reorganization and the Rationalisation of the Human Resources in ULB. The Committee has already submitted its report to GoUP which is at deliberation stage. Upon approval, several posts will be created and staffing norms will be created for ULBs. Executive officer was appointed only in Jun 2009. Even proper Physical Infrastructure has not been placed at MNP. |
| Rationalisation of HR - Draft Proposal for changing Staffing Policy | 2008-09 | No Initiative at ULB level | At state level, such report has been submitted. Absence of progress at ULB level |
| Rationalisation of HR – Drafting Proposal for reforms in Performance Evaluation System | 2008-09 | | |
| Rationalisation of HR - Employee Consultation | 2008-09 | | |
| Rationalisation of HR - Discussions with various ULB departments | 2008-09 | | |
| Rationalisation of HR - Cabinet Approval | 2008-09 | In progress with Delay at State Level | The committee has submitted its reports which are waiting the cabinet approval. |
| Rationalisation of HR - Preparation of enabling legislations | 2008-09 | Not initiated | Absence of such Legislation |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|--------------|----------------------------|--|
| Staff Training - Assessment of training needs | 2007-08 | No Initiative at ULB level | Under the YAP programe various kind ofprogram have been organised by NPPM and also EGIS Becom, Faridabad providing training to NPPM UNDER YAP. Speck has given training to ULB people to run the softwares. Besides, on daily basis SPECK gives the training to ULB people. No initiative at ULB level. |
| Staff Training - Finalisation of training curriculum | 2007-08 | | |
| Staff Training - Selection of agencies to provide training | 2007-08 | No Initiative at ULB level | Training workshop to staff is yet to be organised by E-Governance consultant in absence of Admin order with regards to this. This is owing to Executive officer was appointed only in Jun 2009. Even proper Physical Infrastructure has not been placed at MNP. In compliance to third finance commission recommendations state has taken a policy initiative to train all ULB staff including public representative. A training need assessment is done with the consultation of ATI UP is also designated as resource centre for training. Under YAP, trainings have been organised by NPPM and EGIS- Bceom |
| Staff Training - Conducting of training | 2007-08 | | |
| Staff Training - Training Programmes identified | 2007-08 | | |
| Reduction in Establishment Expenditure – Outsourcing of certain functions | 2008-09 | In progress with delay | Public Toilets are being constructed on PPP basis. No any other outsourcing plan |
| Reduction in Establishment Expenditure – Higher Capacity Utilisation | 2008-09 | Not Initiated | No Progress reported |
| Reduction in Establishment Expenditure – Energy Saving | 2008-09 | | |
| Continuity of Tenure of Key Personnel – Minimum Average Tenure of MC | Not Possible | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |
| Management Review System – Periodic Review by Mayor & MC | 2008-09 | In progress | Organised at state level. Regular meetings are being held. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--------------|---|--|
| Management Review System – Generation of performance reports | 2008-09 | Not Initiated | Absence of such formal system at ULB level. |
| Best Target Staff Deployment * | No info | Not Initiated | Absence of such initiative at ULB level. |
| Evolution of detailed training plan | No info | State level Initiated Not Initiated at ULB level | GoUP appointed UP Administrative Academy and nominated it as Nodal agency for Training of ULB staff. Absence of such plan at MNP level. |
| Least Establishment Expenditure during mission year* (25%) | 2009-10 | Not Initiated | Progress is not reported. |
| Ensuring stability of tenure for MC and other staff | Not possible | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |

17.7 O9 – Structural Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|------------------------|---|
| Structural Reforms | | | |
| New Initiatives planned within organisation | 2009-10 | In progress with delay | As discussed in Admin Reform Executive Officer was appointed in June 2009 and owing to poor municipal office level infrastructure, no progress has been reported. |
| New Initiatives planned for inter-agency coordination | No timeline | In Progress | |
| New State Level Structural Reforms for creation of cadre for different technical disciplines | 2009-10 | In progress with delay | Staffing need assessment study has been completed by the DLB and submitted to GoUP. It stated creation of certain post for the different technical disciplines. Final Decision on the state level has not been taken yet. |
| Citizen Charter | No timeline | No initiative taken | Absence of Citizen Charter |

17.8 O10 – Encouraging PPP

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|---|
| Encouraging PPP | | | |
| List down the State level regulatory and policy initiatives planned for encouraging and deepening PPP in urban services. | No timeline | In progress | GoUP amended the UP Municipal Act, 1916 in September 2009 and empowered the ULBs to enter into PPP agreement with private sector to implement the Infrastructure projects and discharge the services. |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|----------------|--|
| | | | Further GoUP issued GO to each ULB for development of following facilities on PPP basis. Parking places. Modernization of Slaughter house. Public Toilets |
| List down the city level project initiatives planned through PPP in the next three years. | 2008-09 | Completed | 10 Public Toilets have been constructed on PPP basis. Two parks have been taken up under YAP-II reform action plan – but the concession agreement has not been signed on account of political issues. ULB plans to initiate Solar traffic lights on PPP basis in the future. |



18. Appraisal of Optional Reforms – Meerut

18.1 O1 – Functions of Optional Reforms not Transferred

Many of the functions addressed in the optional level reforms are not transferred to the ULB. Brief discussion on the status of all the three reforms is presented in table below.

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-----------------------|------------------------|---|
| Introduction Of Property Title Certification System In ULBs | 2011-12 | In progress with delay | Property Title Certification Act is in the process of adoption at the State level. |
| Computerization Of All The Property Records Against Ownership | 2010-11 | In progress with delay | The present system is computerised for land records/ registration in the Offices of the Registrar/Sub-Registrars. Property Assessment Registers with the ownership/occupier details exist in the Zonal Offices of MNN |
| Simplification of Legal and Procedural Framework for conversion of Agricultural Land to Non-Agricultural Land | No Timeline specified | No initiative taken | Revenue department is empowered to look into the matters related to conversion of Agricultural land to Non Agricultural. No progress on this reform |

18.2 O2 – Revision of Building Byelaws to Streamline the Approval Process

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|----------------|---|
| Revision of Building bylaws to streamline Approval Process | | | |
| Consultations with Stakeholders on modifications of Byelaws | No Timeline indicated | Completed | Stakeholder consultation at state level has been done and accordingly GoUP issued GO to all Urban Development Authority dated 4th JAN 2008 to make revision in Building byelaws for simplification of the process of sanction of Building Plan. Building Plan approval is responsibility of District Development Authority. |
| Identification & Finalization of modification in Byelaws to streamline approval | 2006-07 | Completed | As directed by GoUP, MDA adopted byelaws in order to streamline the approval process. It states that No building plan needs to get sanction upto 100 sq. mt area |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-----------------------|------------------------|---|
| | | | in old constructed area of the city. In case of Single Residential Plots, up to 300 Sqm, the allottee will be given Standard Building Plan, at the time of Registry and following the Set -Back as per Building Bye Laws, the sanction of Building Plan is not required. [See note below.] |
| Defining Mitigation Measures for Natural Disaster in Byelaws | 2006-07 | Completed with Delay | Mitigation measures for fire, earthquake etc have been incorporated in Building Byelaws. [See note below.] |
| Amendment of existing legislation to introduce new Byelaws & Notification | No Timeline indicated | Completed | The GoUP revised the Building Byelaws in 2008 and the MDA adopted the byelaws in order to streamline the approval process. |
| Dissemination of New Byelaws through Website | 2007-08 | Completed With Delay | Not available on MDA website. |
| City level Public Workshops to address queries | No Timeline indicated | completed | Initially Workshops and Camp organised at state level. |
| Setting MIS Sys linked to all offices having bearing on Building Permission | 2007-08 | In progress with Delay | Initially at state level Birla Soft was appointed for the MIS system, however it was discontinued. Presently process of approval is computerized. |
| Start of approval as per new byelaws | No Timeline indicated | Completed | Started |
| Establishment of Interactive Citizen Enquiry Sys for Building Plan Approval | 2008-09 | In progress | Public Enquires can be done through the email and posting queries on the website. Even status of Application can be tracked from the website. |
| Maximum Reduction of Average time for Building Sanction (Residential :7 days, Commercial :10 days) | 2008-09 | In progress | Process seems to be simplified. Time for approval for residential reduced to 30 days to for commercial it is still 90 days. However, MNN claims that time will be reduced to 7 & 10 days respectively in 2012-13. |

18.3 O3 – Revision of Building Byelaws to Make RWH Mandatory

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|-------------------------------------|
| Revision of building byelaws to make RWH Mandatory | | | |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------|---|
| Final Design of RWH and decision on end use | 2008-09 | Completed as per Timeline | Design of the Rain Water Harvesting has been finalised at State Level. It becomes the part of Rain Water Harvesting Manual and RWH mandatory in new Building Bylaws 2008. |
| Prep of Drafting Byelaws to reflect Mandatory Clauses of RWH | 2008-09 | Completed | The GoUP revised the Building Byelaws in 2008 and also issued GO in this regard. MDA adopted the byelaws in 2009. |
| Amendment of Existing legislation to introduce the new Byelaws & Notification | 2008-09 | Completed | Rain water harvesting has been made mandatory for construction of building more than 300 sq. mt under this byelaw. It was specified during the visit that this will make compulsory in future buildings. |
| Dissemination of the new set of Building Byelaws thru Website | 2008-09 | Completed | Bye-laws are uploaded on the websites of some of the Development Authorities |

18.4 O4 – Earmarking of Land for EWS/LIG Housing and a system of cross subsidy

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|------------------------|--|
| Earmarking of land for EWS & LIG and a system for cross-subsidy | | | |
| Decision on the extent of reservation (20-25%) | 2008-09 | Completed with delay | Housing & Urban Development Department of the GoUP has announced Housing Policy 2009. GoUP has made reservation of 20% of saleable land for economically weaker sections (EWS) and low income group (LIG) for Housing Board & Development Authorities and private developers for upcoming townships. GO has been issued by GoUP to all respective Area Development Authorities. Implementation of such provisions for private developers appears to be weak. |
| Amendment of the existing legislation and notification | 2009-10 | Appropriate GO issued. | |
| Timeline to improve the percentage of reservation for EWS/LIG in housing projects | No timeline | In Progress | |



18.5 O7 – Byelaws on reuse of recycled water

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|---|-------------|---------------------------|---|
| Byelaws on reuse of recycled water | | | |
| Final Design and decision on end use of WW Recycling Sys | 2007-08 | Completed as per timeline | GoUP adopted provisions related to Recycle/ Reuse of water as specified in National Building Code in Building Bylaws-2008 (Bhavan Upvidhi-2008). All Urban Development Authority adopted such Building Bylaws in 2008 |
| Prep of Drafting of Byelaws to reflect Mandatory Clauses of Wastewater Recycling System | 2008-09 | | |
| Amendment of Existing Legislation to introduce the new Byelaws & procedures | 2009-10 | | |
| Dissemination of the new set of Building Byelaws through Website | 2009-10 | Completed as per timeline | The Technique and Design of Rain Water Harvesting/Reuse of Water is available on Awas Bandhu Web-site, www.awasup.nic.in |
| City level Public Workshops to address queries | 2009-10 | | Not initiated by Meerut Development Authority |
| Start of approval as per new byelaws | 2009-10 | | Started |

18.6 O8 – Administrative Reforms

| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|-------------|---------------------------|---|
| Administrative Reforms | | | |
| Rationalisation of HR - Identification Of loopholes in existing staffing | 2008-09 | Completed as per timeline | <ul style="list-style-type: none"> ▪ GoUP constituted committee under the chairmanship of Director of Local Bodies in 2006 to establish norms for the Categorization, Upgrade, Reorganization and rationalisation of the Human Resources in ULB. ▪ The Committee has already submitted its report to GoUP which is at deliberation stage. ▪ Upon approval several posts will be created and staffing norms will be created for ULBs. ▪ Sporadic training programmes have been conducted at the level of the MNN. ▪ In order to increase financial accountability and discipline in the ULB's GoU.P. has been the |



| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|-------------|--|---|
| | | | First State to propose to bring the ULB's under the F.R.B.M. (Financial Responsibility and Budget Management) Act. The Act has been drafted and it is in the stage of being vetted by the Finance Department. |
| Rationalisation of HR - Draft Proposal for changing Staffing Policy | 2008-09 | | At state level such report has been submitted. No initiative can be taken at ULB level. |
| Rationalisation of HR – Drafting Proposal for reforms in Performance Evaluation System | 2008-09 | | |
| Rationalisation of HR - Employee Consultation | 2008-09 | In Progress with Delay | HR officer has been appointed in PMU and Meeting have been held with departmental heads. |
| Rationalisation of HR - Discussions with various ULB departments | 2008-09 | | |
| Rationalisation of HR - Cabinet Approval | 2008-09 | In progress with Delay at State Level. | The committee has submitted its reports which are waiting the cabinet approval. |
| Rationalisation of HR - Preparation of enabling legislations | 2008-09 | Not initiated | Absence of such Legislation. |
| Staff Training - Assessment of training needs | 2007-08 | In progress with delay | At GOI level such study initiated. At ULB level, Training calendar has been prepared and respective personnel have been trained. |
| Staff Training - Finalisation of training curriculum | 2007-08 | In Progress with delay | |
| Staff Training - Selection of agencies to provide training | 2007-08 | In Progress with delay | PMU staff has been identifying officers for trainings conducted by RCUES Lucknow, but there is no pre-structured training curriculum being followed. |
| Staff Training - Conducting of training | 2007-08 | | |
| Staff Training - Training Programmes identified | 2007-08 | | |
| Reduction in Establishment Expenditure – Outsourcing of certain functions | 2008-09 | In progress with delay | Bidding Process is under progress for development of Slaughter House on PPP basis. |
| Reduction in Establishment | 2008-09 | | No such info |



| Reform milestones | Target year | Current status | Cumulative Progress till March 2014 |
|--|--------------|-----------------------|--|
| Expenditure – Higher Capacity Utilisation | | | |
| Reduction in Establishment Expenditure – Energy Saving | 2008-09 | Not Initiated | Absence of such efforts |
| Continuity of Tenure of Key Personnel – Minimum Average Tenure of MC | Not Possible | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |
| Management Review System – Periodic Review by Mayor & MC | 2008-09 | In progress | Organised at state level. Regular meetings are being held. |
| Management Review System – Generation of performance reports | 2008-09 | Not Initiated | MIS at state level. Absence of such formal system at ULB level. |
| Best Target Staff Deployment * | No info | Not Initiated | Absence of such initiative at ULB level. |
| Evolution of detailed training plan | No info | State level Initiated | GoUP appointed UP Administrative Academy and nominated it as Nodal agency for Training of ULB staff. Training Calendar has been prepared and preparation of capacity Building DPR is under progress. |
| Least Establishment Expenditure during mission year* (25%) | 2009-10 - | | Progress is not reported. |
| Ensuring stability of tenure for MC and other staff | Not possible | In progress | GoUP declared zero transfer session for Year 2009-10 and 2010-11. |

18.7 09 – Structural Reforms

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|--------------------|------------------------|--|
| Structural Reforms | | | |
| New Initiatives planned within organisation | 2007-08 to 2009-10 | Completed with delay | Decentralization is under progress and two Zonal offices have been established. |
| New Initiatives planned for inter-agency coordination | No timeline | In Progress | Departmental level meetings have been organised regularly. There absence of structured Inter Agency coordination |
| New State Level Structural Reforms for creation of cadre | 2009-10 | In progress with delay | Staffing need assessment study has been completed by the DLB and submitted to GoUP. It stated creation |



| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|-------------------------------------|-------------|----------------|--|
| for different technical disciplines | | | of certain post for the different technical disciplines. Final Decision on the state level has not been taken yet. |
| Citizen Charter | No timeline | Completed | Prepared. |

18.8 O10 – Encouraging PPP

| Reform milestones | Target year | Current status | Cumulative Progress Till March 2014 |
|--|-------------|----------------|--|
| Encouraging PPP | | | |
| List down the State level regulatory and policy initiatives planned for encouraging and deepening PPP in urban services. | No timeline | In progress | GoUP amended the UP Municipal Act, 1916 in September 2009 and empowered the ULBs to enter into PPP agreement with private sector to implement the Infrastructure projects and discharge the services. Further GoUP issued GO to each ULB for development of following facilities on PPP basis viz. Parking places, Modernization of Slaughter house. |
| List down the city level project initiatives planned through PPP in the next three years. | 2008-09 | Completed | SWM project of NNM is in progress on PPP Model Construction of Modern Slaughter House on PPP basis is in progress. DPR preparation ongoing for replacement of low efficiency water pumps to energy efficiency pumps. DPR under preparation for replacement of existing street lights to energy efficient LED lights. |



19. Annexure 1 – Property tax full recovery related initiative by state – fixing accountability on employees

संख्या-1275/9-9-12-205ज/12

प्रेषक,
 प्रवीर कुमार,
 प्रमुख सचिव,
 उ०प्र० शासन।

सेवा में,
 निदेशक,
 स्थानीय निकाय,
 उ०प्र०, लखनऊ।

22936

नगर विकास अनुभाग-9 लखनऊ : दिन क 10 सितम्बर, 2012

विषय: नगरीय स्थानीय निकायों में शत प्रतिशत भवन व भूमि को सम्पत्ति कर से आच्छादित करने हेतु अभियान।
 महोदय,

प्रदेश की स्थानीय नागर निकायों संवैधानिक रूप में स्वायत्तशासी स्वरूप में गठित हैं और उनके कार्य भी स्पष्ट रूप में संगत अधिनियमों में निर्धारित हैं। निकायों की स्वायत्तता सुनिश्चित करने हेतु यह परम आवश्यक है कि वे आर्थिक रूप से आत्म निर्भर बनें। कतिपय नागर निकायों द्वारा अपने वित्तीय संसाधन बढ़ाने में अपेक्षित रूचि न लेने के कारण वे उपलब्ध संसाधनों का समुचित दोहन करने में सक्षम नहीं हो पाती हैं और फलस्वरूप अपने दायित्व के अनुसार स्थानीय नागरिकों को वांछित मूलमूल सुविधायें उपलब्ध कराने में सक्षम नहीं हो पा रही हैं।

2. स्थानीय निकायों की आय के प्रमुख संसाधनों में सम्पत्ति कर से प्राप्त होने वाली आय है। इस मद से प्राप्त आय इस तथ्य पर निर्भर करती है कि उस निकाय में भवनों भूमियों की कराच्छादन की स्थिति कैसी है। जिस निकाय में जितना अधिक कराच्छादन होगा वहां की सम्पत्ति कर की आय उतनी ही अधिक होगी। इस प्रकार किसी भी निकाय की वित्तीय स्थिति सुदृढ़ करने के लिए कराच्छादन अत्यधिक महत्वपूर्ण है। कर निर्धारण प्रणाली के कतिपय दोषों को समाप्त कर उसे पारदर्शी और जनापेक्षाओं के अनुरूप बनाने के दृष्टिकोण से स्वकर निर्धारण प्रणाली स्थापित की जा चुकी है। इस प्रणाली का व्यापक प्रचार-प्रसार, जन सम्पर्क कर नागरिकों को इसके बारे में जानकारी देते हुए स्वकर निर्धारण के लिए प्रोत्साहन और सकारात्मक सोच के अभाव में कतिपय निकायों में इस दिशा में आशानुरूप उपलब्धि नहीं मिल पायी है। स्वकर निर्धारण हेतु निर्धारित तिथि व्यतीत हो जाने के पश्चात् निकाय कर्मियों द्वारा नियमानुसार करारोपण की व्यवस्था होने के बावजूद इस महत्वपूर्ण कार्य में अपेक्षित रूचि का अभाव दृष्टिगत हो रहा है। परिणामस्वरूप अधिकांश नगरीय निकायों में पर्याप्त संख्या में भवन/भूमि कराच्छादन से अभी-भी छूटे हुये हैं, जो उचित नहीं है।

3. उक्त के क्रम में मुझे यह कहने का निदेश हुआ है कि प्रत्येक स्थानीय निकाय में समस्त भवन/भूमि को सम्पत्तिकर से शत प्रतिशत आच्छादित करने के उद्देश्य से निम्नलिखित समय सारणी के अनुसार कार्यवाही सुनिश्चित की जाय:-

- दिनांक 20 सितम्बर से 10 अक्टूबर 2012 तक कर से अनाच्छादित भवनों/भूमियों का वार्डवार चिन्हीकरण वार्ड के राजस्व निरीक्षक द्वारा किया जाय।
- दिनांक 11 अक्टूबर से 25 अक्टूबर तक उपरोक्तानुसार चिन्हीकृत भवनों के विवरण को सम्बन्धित स्थानीय निकाय की वेबसाइट पर अपलोड किया जाय।

Ms. Rathore
22/9/12
Pr. Speaker
19/9/12
20/9/12



3. इसी क्रम में 30 नवम्बर तक चिन्हित भवनों के कर निर्धारण की कार्यवाही पूर्ण कर ली जाय।
4. 30 नवम्बर 2012 को वार्डवार सभी राजस्व निरीक्षकों से अधीक्षकों द्वारा प्रतिहस्ताक्षरित प्रमाण-पत्र निम्न प्रारूप पर प्राप्त किया जाय-

प्रमाण-पत्र

“प्रमाणित किया जाता है कि जोन संख्या/नाम वार्ड संख्या- वार्ड का नाम में दिनांक 30.11.12 की तिथि तक के निर्मित एट कर आरोपण योग्य समस्त भूमि/भवन का कर निर्धारण कर दिया गया है तथा अब कोई भी भूमि/भवन कराच्छादन से छूटा हुआ नहीं है। वार्ड में निर्माणाधीन, परिवर्तन अथवा परिवर्धन किए जा रहे भवनों की सूची निम्नलिखित है जिन्हें पूर्ण होते ही कराच्छादित कर दिया जायेगा। इनके अतिरिक्त वार्ड के सभी भवन व भूमि पूर्णरूप से कराच्छादित हैं।

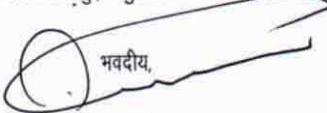
| क्रमांक | भवन संख्या | भवनस्वामी/अध्यासी का नाम | निर्माण/परिवर्तन, परिवर्धन पूर्ण होने की सम्भावित तिथि | निर्माण/परिवर्तन, परिवर्धन का संक्षिप्त विवरण |
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प्रतिहस्ताक्षरित
 अधीक्षक
 दिनांक

हस्ताक्षर
 राजस्व निरीक्षक
 दिनांक

5. शत प्रतिशत कराच्छादन हेतु दिनांक 30 नवम्बर 2012 से पुरस्कार/प्रोत्साहन योजना प्रारम्भ की जाय जिसके अन्तर्गत विभिन्न माध्यमों से इस आशय का व्यापक प्रचार-प्रसार किया जाय कि नगर में स्थित ऐसे भवन भूमि जिनका कर निर्धारण अभी-तक नहीं हुआ है, की सूचना/गोपनीय सूचना देने वाले को, सूचना सत्य पाये जाने पर पुरस्कृत किया जाएगा। सूचना देने वाले का नाम उसके अनुरोध पर गोपनीय रखा जा सकता है। इस हेतु स्थानीय परिस्थितियों और अपेक्षाओं के अनुकूल पुरस्कार की धनराशि का निर्धारण नगर निगमों द्वारा तथा नगर पालिका परिषदों/पंचायतों में कर लिया जाय। पुरस्कार/प्रोत्साहन राशि प्रश्नगत नव कराच्छादित भवनों के एक वर्ष के सम्पत्ति कर के समतुल्य व कम से कम 50 प्रतिशत तक निर्धारित किया जा सकता है।
6. उपरोक्त योजना के अन्तर्गत प्राप्त सूचनाओं के आधार पर हुए कर निर्धारण में अथवा अधीक्षक द्वारा प्रति हस्ताक्षरित कर निरीक्षक का प्रमाण-पत्र की सूचना गलत पाए जाने पर सम्बन्धित वार्ड के राजस्व निरीक्षक और अधीक्षक के विरुद्ध कठोर कार्यवाही की जाय व निकाय को हुई हानि की वसूली की जाय।
7. अधिशासी अधिकारी, मुख्य कर निर्धारण अधिकारी, जोनल अधिकारी और नगर आयुक्त द्वारा इस अभियान की नियमित समीक्षा की जाय और अभियान की प्रगति का पक्षिक विवरण निदेशालय के माध्यम से शासन में प्रस्तुत किया जाय।

उक्त निर्देशों के अनुसार समयबद्ध कार्यवाही सुनिश्चित कराते हुए अनुपालन आख्या शासन को उपलब्ध कराने का कष्ट करें।


 भवदीय,
 (प्रवीर कुमार)
 प्रमुख सचिव।



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