

Chapter III

Empowerment of Urban Local Bodies and their functioning

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3.1 Actual status of devolution of functions

The 74th CAA sought to empower ULBs to perform functions and implement schemes in relation to 18 subjects specified in the Twelfth Schedule of the Constitution of India. Each State was expected to enact a legislation to implement the amendment. The State Government through amendments to TM/TMC Acts had devolved 17 out of 18 functions to ULBs, except Fire Services. Of the 17 devolved functions, the ULBs had full jurisdiction in six, partial jurisdiction in nine, no jurisdiction in one and overlapping jurisdiction in one. Details are discussed in **Table-3.1**.

Table-3.1: Statement showing the actual status of implementation of the devolved functions

Sl. No.	Functions	Activities	Actual status of implementation of the devolved functions
(1)	(2)	(3)	(4)
Functions where ULB has full jurisdiction			
1	Burials and burial grounds; cremations, cremation grounds and electric crematoriums	Construction and Operation & Maintenance (O&M) of crematoriums and burial grounds, upgrade them as modern crematoriums and electric crematoriums	All the 17 test-checked ULBs have been carrying out this function.
2	Cattle pounds; prevention of cruelty to animals	Reduce the stray animal's population, catching strays and handing over to Animal Protection Committees	All the 17 test-checked ULBs have been carrying out this function.
		Registration of pet animals, cause vaccination	
		Ensuring safety of animals	
3	Regulation of slaughter-houses and tanneries	Ensuring quality of animals and meat	All the 17 test-checked ULBs have been carrying out this function.
		Prohibit or regulate the slaughter, cutting or skinning of animals	
		Establishment and modernisation of slaughter-houses	
4	Slum improvement and upgradation	Improvement of notified and identified slums	Nine ⁴ out of 17 test-checked ULBs are only carrying out the slum improvement activities.
		De-notification of developed slums	
5	Public amenities including street lighting, parking lots, bus stops and	Installation and maintenance of streetlights, conversion of conventional streetlights into energy efficient lighting mode	Public toilets were constructed in 14 ULBs. No parking lots were constructed in any of the 17 test-checked ULBs.

⁴ Municipal Corporations of Boduppal, Meerpet, Ramagundam and Warangal; Municipalities of Medak, Pedda Amberpet, Sadasivapet, Shadnagar and Siddipet

	public conveniences	Development of road junctions, medians and parking spaces. Establishment and maintenance of destitute homes, night shelters and shelters for exigencies, bus stops and bus shelters	
6	Provision of urban amenities and facilities such as parks, gardens, playgrounds	Creation of parks, gardens, community halls and sports complexes Operation & Maintenance	Parks and nurseries were created in 16 ULBs but no Playgrounds exist in any of 17 test-checked ULBs.
Functions where ULB has no role			
7	Urban planning including town planning	Preparation of Master Plans	Master Plans are prepared by Urban Development Authorities (UDAs)/ Directorate of Town and Country Planning (DTCPs).
		Enforcing implementation of Master Plan regulations	Enforcement is done by UDAs/ DTCPs.
		Planned development of new areas for human settlement	
Functions where ULB has partial role			
8	Planning for economic and social development	Programme implementation for economic activities	While the State Government issues the guidelines and recognises the beneficiaries, verification is done by the ULBs for implementation of Welfare schemes such as housing and other livelihood enhancement programmes.
		Policies for social development	
9	Safeguarding the interests of weaker sections of society including the handicapped and mentally retarded	Identifying/verification of beneficiaries	State Departments such as (i) Scheduled Castes Development, (ii) Health, Medical and Family Welfare, (iii) Women, Children, Disabled & Senior Citizens and State Engineering Departments are responsible for these functions. ULBs were only doing identification/verification of the beneficiaries.
		Providing tools/benefits such as tricycles	
		Housing programmes	
10	Urban poverty alleviation	Identifying/verification of beneficiaries	Only identification/verification of beneficiaries is done by ULBs. Scheme Implementation done by District Rural Development Agencies (DRDAs) and other
		Livelihood and employment	
		Street vendors	

			livelihood ⁵ activities by Mission for Elimination of Poverty in Municipal Areas (MEPMA).
11	Regulation of land-use and construction of buildings	Ensuring construction and development in accordance with the plan and land use and regulation of unauthorised buildings	Land use and building construction activities are regulated by ULBs. In case of the high-rise buildings, various bodies such as UDAs and State Fire Services are involved. The role of ULBs is restricted to issuance and renewal of building permissions and enforcement of building byelaws.
		Approving building plans/high rises	
12	Roads and bridges	Improve or repair the same ensuring public safety or convenience. Divert or close public roads. Widen or expand roads ensuring traffic flow pattern	While Roads & Buildings Department plays the lead role in construction of roads and bridges, flyovers ⁶ , ULBs are involved in construction and maintenance of roads, bridges, drains and footpaths within the jurisdiction.
		Construction and maintenance of bridges, drains, flyovers and footpaths	
13	Public health, sanitation, conservancy and solid waste management	Construction of individual household toilets, public toilets, community toilets, SHE toilets, make Municipalities Open Defecation Free (ODF), sewage and sewerage management, faecal sludge and septage management, wastewater treatment	ULBs only have a limited role in case of public health allied responsibilities, as Department of Health, Medical and Family Welfare plays the major role in maintaining hospitals and dispensaries. The ULBs along with the State Departments/ Parastatal agencies ⁷ undertake immunisation/ vaccination programmes and wastewater treatment. ULBs are also responsible for cleaning and disinfecting of localities affected by infectious diseases.
		Prevention and control of infectious, communicable diseases public vaccination	
		Promotion measures for abatement of all forms of pollution, including air pollution	
		Cleaning and disinfection of localities affected by infectious diseases	
		Solid Waste Management	
		Control and supervision of public markets	
14	Urban forestry, protection of the environment and	Afforestation	ULBs undertake afforestation and awareness drives under Harithaharam ⁸ along with the
		Greenification	
		Awareness drives	

⁵ Training in capacity building, soft loans and skilled training

⁶ Hyderabad Metropolitan Development Authority (HMDA) co-exist in construction of flyovers in Hyderabad

⁷ Hyderabad Metropolitan Water Supply and Sewerage Board (HMWS&SB) undertakes wastewater treatment/sewerage treatment and its disposal in Hyderabad

⁸ Harithaharam is a flagship programme of the State Government envisages increasing the tree cover of the State from the present 25.16 per cent to 33 per cent of the total geographical area

	promotion of ecological aspects	Protection of the environment and promotion of ecological aspects Maintenance of natural resources like lakes and water bodies protection and development, etc.	Horticulture and Forest Departments. Hence, protection of the environment and promotion of ecological aspects is partially vested with the ULB.
15	Promotion of cultural, educational and aesthetic aspects	Promotion of cultural activities, music, physical education, sports and theatres and infrastructure therefor Heritage structures/areas Beautification of public spaces	Primary responsibility vests with Department of Education. ULBs along with the State Departments of Culture, Archaeology & Museums and UDAs undertake activities allied with public spaces beautification, organising fairs and festivals.
16	Vital statistics including registration of births and deaths	Coordinating with hospitals Maintaining and updating Database	Both ULBs and the Department of Health, Medical and Family Welfare maintain database of births and deaths. ULBs register and issue certificates of births and deaths.
Functions with minimal role and/or having overlapping jurisdictions with State Departments and/or parastatals			
17	Water supply for domestic, industrial and commercial purposes	Water supply Providing individual tap connections. Operation & Maintenance, reducing non-revenue water and undertake water audit. Collection of water charges	Rural Water Supply and Sanitation (RWS&S)/Mission Bhagiratha Department and Hyderabad Metropolitan Water Supply and Sewerage Board (HMWS&SB) ⁹ are in charge of creation of assets. ULBs' role is restricted to distribution, operation and maintenance of water supply.
Function not devolved			
18	Fire Services	Providing fire NOC/approval certificate in respect of high-rise buildings	This function is vested with Telangana State Disaster Response and Fire Services Department.

In Telangana State, the major functions such as water supply and urban/town planning are entrusted to State Departments/Parastatal Agencies. These parastatal agencies (detailed in *Appendix-3.1*) are being controlled by the Government through their own Governing Bodies. The functions of parastatal agencies are as follows.

- The State Government has entrusted the function of 'supply of drinking water' to Hyderabad and surrounding ULBs such as Corporations of Meerpet, Boduppal and Municipalities of Bhongir and Pedda Amberpet to HMWS&SB. It also undertakes the work of the underground drainage in Hyderabad city.

⁹ Water supply in Hyderabad city and surrounding ULBs

Government stated (March 2022) that the functions of water supply and sewerage were entrusted to HMWS&SB to ensure uniform infrastructure between GHMC and adjacent ULBs. The issues of urban agglomeration and non-availability of natural resources for water drawl by the ULBs were also kept in view.

- The functions of urban planning and regulation of land use are discharged by the eight UDAs¹⁰ established for the planned development of important urban areas under the Telangana Urban Areas Development Act, 1975.
- The Directorate of Town and Country Planning (DTCP) is involved in preparation of Master Plans for towns in Telangana State, revision of Master Plans for the ULBs other than those covered under UDAs, giving assistance to Municipalities in development programmes and technical advice to UDAs and other Government organisations. The DTCP also gives technical approval of the layouts, group housing, commercial complexes, preparation and approval for type of designs for community and public buildings. Thirty-two Town Planning Authorities (TPAs) in the State are responsible for implementation of these functions. The DTCP has taken up preparation of Geographic Information System (GIS) based Master Plans for four UDAs¹¹ and six ULBs¹².

Government stated (March 2022) that all the ULBs are also involved in preparation of Master Plans, Road Development Plans, Water Supply Network Plans, Junction Plans, Solid Waste Management (SWM) Plan, Sanitation Plans, Green Space Plan, *etc.*, and are actively participating in implementation of such approved plans to improve the quality of life of citizens. However, the extent of ULBs' involvement in these activities was not forthcoming from their reply.

- The Telangana Urban Finance and Infrastructure Development Corporation Limited (TUFIDC) undertakes various projects with support from external sources such as Financial Institutions, Centrally Sponsored Schemes and State Government schemes for investment support to ULBs. The ULBs approach TUFIDC with a loan/grant proposal to support its potential investment. In this context, ULBs enter into an agreement specifying the terms and conditions of loan with TUFIDC.

The parastatal agencies were established before and after enactment of 74th CAA through issue of the notifications and are governed by the respective State Acts. The Government should have amended these Acts to comply with the provisions of 74th CAA. In the 17 test-checked ULBs, 20¹³ parastatal agencies and other Departments were involved in service delivery of 11 functions.

Without complete devolution of the functions, the ULBs cannot be strengthened in the State.

¹⁰ 1)Satavahana UDA, Karimnagar, 2)Stambhadri UDA, Khammam, 3)Nizamabad UDA, 4)Kakatiya UDA, Warangal, 5)Siddipet UDA, 6) Yadagirigutta Temple DA, Hyderabad, 7) Vemulawada Temple DA and 8) Quli Qutub Shah UDA, Hyderabad

¹¹ Karimnagar, Khammam, Nizamabad Corporations and Siddipet Municipality

¹² Ramagundam Corporation; Adilabad, Mahbubnagar, Miryalaguda, Nalgonda and Suryapet Municipalities

¹³ DTCP (1), HMWS&SB (1), UDAs (4) and other Departments (14)

3.2 State Election Commission

The Telangana State Election Commission (SEC) was formed in September 2014. The duties of the Commission include superintendence, direction and control of the preparation of electoral rolls and the conduct of all elections to Panchayats and ULBs. The Second Administrative Reforms Commission (ARC) in its Sixth Report on Local Governance (*vide* Para 3.2.1.12) on electoral process have recommended that the task of delimitation and reservation of constituencies should be entrusted to the SECs and the same was accepted by Government of India (GoI). However, the powers regarding delimitation of wards, reservation of seats for the Council and rotation policy of seats for the posts of Mayor/Chairperson, Deputy-Mayor/Vice-Chairperson and Wards rest with the State Government.

Government accepted (March 2022) the audit observation and stated that as it was a policy decision, the Government would take a decision in the matter.

3.3 Composition of Councils in Municipal Corporations/Municipalities

Article-243R of Indian Constitution stipulates the composition of Municipalities. The Corporations and Municipalities for a specified urban area consist of elected Corporators/Councillors (Ward Members), nominated Members, Member of Legislative Assembly, Member of Legislative Council, Members of the House of People, Members of the Council of States representing the Constituencies¹⁴. The nominated members do not have voting power. The Mayor is elected from among the Corporators and the Chairperson from amongst the Councillors¹⁵.

3.4 Reservation of seats for the Councils of Municipal Corporations/Municipalities

Article-243T stipulated reservation of seats for Scheduled Castes (SCs), Scheduled Tribes (STs), Backward Classes (BCs) and Women for direct election. The Telangana Municipal Acts also provide for allotment of reserved seats in different Wards as per the rotation policy adopted by the Government. Reservation of seats shall be made for (i) SCs/STs and (ii) Backward classes (BCs) in proportion of their population, provided that the seats reserved shall not exceed 50 *per cent* of the total number of seats of the Municipality, (iii) While 50 *per cent* of the total seats are reserved for women, same 50 *per cent* ratio is to be observed for women in the respective categories also.

Further, the reservations shall be made by rotation and shall continue to remain for two consecutive terms. In all 17 test-checked ULBs, these provisions have been complied with.

3.5 Status of Elections and formation of Councils

Elections to ULBs shall be completed before the expiry of their duration. In case of dissolution, elections shall be held within six months from that date. Further, Article-243U(3)(a) of the Indian Constitution and TMC Act, 1994 stipulate a fixed tenure of five years for the Corporators/Councillors (Ward Members) of ULBs from the date of its first meeting. The status of elections and formation of Councils in the ULBs is depicted in **Table-3.2**.

¹⁴ which comprise wholly or partly (to be chosen for one of the Municipalities) in the Municipal area

¹⁵ as per Section-5 of TM Act, 2019

Table-3.2: Status of Elections and formation of Councils in ULBs

Name of the ULB	No. of ULBs	Due date for conduct of Election	Actual date of election	Delay in months
(1)	(2)	(3)	(4)	(5)
GHMC	1	December 2014	February 2016	14
Khammam and Warangal Corporations	2	October 2011	March 2016	52
Atchampet Municipality	1	May 2013	March 2016	33
Siddipet Municipality	1	September 2010	April 2016	66
Municipalities (120) and Municipal Corporations (10)	130	July 2019	January 2020	6
Nakrekal Municipality	1	December 2020	April 2021	4
Manuguru, Mandamarri and Palvancha Municipalities	3	-	-	Due to non-extension of TM Act, 2019 to the ULBs situated in Scheduled Areas
Zaheerabad Municipality	1	-	-	Due to pending Court Case
Total ULBs	140 (*)			

Source: Information furnished by State Election Commission (*) There was no delay in one ULB viz., Jadcherla Municipality (total 141 ULBs).

In spite of completion of the Municipal Councils' terms, the elections were conducted with a delay ranging between four and sixty-six months. There was a delay of 52 months in Khammam/Warangal Corporations. Similarly, the delay was 66 months in Siddipet Municipality and 33 months in Atchampet Municipality. The term of the Municipal Councils expired for the 130 ULBs in July 2019 but the elections were held in January 2020, due to delayed enactment of the new Municipal Act by the Government and litigations on delimitation of Municipalities/Corporations pending in the Courts. Special Officers were appointed to the ULBs and the State Government took over the functions of Councils in 17 ULBs test-checked. The State delayed the delimitation process, which in turn delayed Council elections.

Government did not furnish reasons for delay in conduct of elections in respect of GHMC, Khammam and Warangal Corporations and Atchampet Municipality. The delay in conduct of elections in other ULBs was attributed to pending Court cases and Public Interest Litigations (PILs).

3.6 Mayor/Deputy Mayor and Chairperson/Vice-Chairperson

The Mayor/Chairperson is the first citizen of the City/Town who is to be elected from amongst the elected members of the Council. He/she is empowered to preside over every meeting of the Municipal Corporation/Municipality and has the power to inspect and give direction to the Commissioner with regard to implementation of any Resolution of the Corporation/Council. He/she may call for any record of the Municipal Corporation/Municipality from the Commissioner, who is the Executive Head.

In Telangana, the term of office of Mayor/Chairperson and Deputy Mayor/Vice-Chairperson in the case of Corporations and Municipalities is five years from the date of holding its first meeting. The offices of Mayor/Deputy Mayor and Chairperson/Vice-Chairperson are to be reserved for different categories such as SCs, STs, BCs, Women and General and rotated among them. This process was complied with in the 17 test-checked ULBs.

3.7 Wards Committees in Municipal Corporations and Municipalities

Article-243S of the Constitution of India provides for constitution of Wards Committees in all the Municipalities with a population of three lakh or more. Wards Committees shall be constituted by the Government for the Corporations. The number of Wards Committee shall be as determined by Government. Each Wards Committee shall consist of not less than ten Wards and include elected Members from the wards for which the Wards Committee is constituted. While the Wards Committees were formed in Warangal and Karimnagar Municipal Corporations, they were not formed in Nizamabad Corporation. Though Wards Committees were formed in Ramagundam Municipal Corporation, no meetings were held.

Further, four types of Ward Committees¹⁶ shall be constituted with community participation on rotation basis annually, for each Ward, by all the Municipalities and Corporations. However, no Ward Committees were constituted in Meerpet and Nizamabad Corporations and Kamareddy Municipality. This defeated the objective of facilitating community participation in local governance. The absence of community participation would adversely impact prioritisation of development works, monitoring of execution of works, utilisation and maintenance of assets created, *etc.*

Government stated (March 2022) that there was delay in constitution of Ward Committees and the meetings could not be conducted in regular intervals due to Covid-19 pandemic. However, the Ward Committees have been constituted in Meerpet and Nizamabad Corporations and Kamareddy Municipality.

3.8 District Planning Committee for Urban Local Bodies

Article-243ZD of Constitution of India provides for constitution of a District Planning Committee (DPC) for consolidation of plans prepared by the Panchayats and Municipal Corporations/Municipalities. Government may constitute, after consultation with Municipal Corporation/Municipality, a Planning Committee for any Municipal Corporation/Municipality to prepare plans for development works.

The DPCs, as enunciated in Article-243ZD of the Constitution of India, have not been constituted in any of the Districts. Though the Commissioner, GWMC stated that DPC was formed under the Chairmanship of the District Collector, it was not a comprehensive Committee, as the Panchayat Raj Institutions were not included. Also, no Draft Development Plan (DDP) was prepared and submitted to the District Collector, taking into

¹⁶ Youth, Women, Senior Citizens and other Eminent People of the Ward. The functions of Ward Committees include (a) upkeep and maintenance of sanitation and solid waste management, (b) tree plantations (Harithaharam), (c) maintenance of water supply, parks, playgrounds, public toilets and market places, (d) facilitate collection of taxes, fees and other dues to the municipality and (e) taking up to the authority of unauthorised constructions and encroachments, (f) encourage art and cultural activities, sports and games and (g) discourage of use of plastic

consideration the local needs and matters of common interest such as drinking water, roads and sewerage system, solid waste management, *etc.* Non-preparation of comprehensive DDP by DPC defeated the very purpose of devolvement of the functions to the ULB as envisaged in 74th CAA.

Government accepted (March 2022) the audit observation and stated that the issue would be examined.

3.9 Government’s power and control over ULBs as per TM Acts

Constitution of Municipalities and their sustenance is the responsibility of the State Government as per Article-243 of the Constitution of India. State Government amended the TM Act, 1965 and introduced TMC Act, 1994. Subsequently, Government introduced TM Act, 2019 covering both the Municipal Corporations and Municipalities (except GHMC). We however, observed that while new provisions of the 74th CAA were incorporated in the Telangana State Municipal Acts, provisions which existed in the TM Act, 1965 were also retained, which accorded the State Government control and overriding powers over the ULBs. Further, these powers were retained even in the new TM Act, 2019, which allowed the State to continue with the control over the ULBs as detailed in the *Appendix 3.2*.

In contravention of the envisaged provisions of the 74th CAA, the State Government retains the powers to call-for the records of the ULBs and take action against any Municipal Authority, if it fails to perform its duty. The State Government also enjoys the powers to cancel the resolution passed by Chairperson/Vice-Chairperson and Members of the Municipal Council. Further, the Government has powers of suspension or removal of the Chairperson/Vice-Chairperson, the Commissioner or any officer/employee of the Municipality and dissolve a Council. The State Government also has the powers to inspect the Municipal properties, call-for documents, plans, estimates, accounts or statistics, report on any municipal matters, give directions and frame the rules. The powers to levy Property Tax, prepare the Budget, sanction to borrow money for developmental works and allow works to be taken up, direct the Municipalities regarding supply of water for residential and commercial properties and establishment of slaughter-houses also vest with the State Government.

3.10 Limited powers over Manpower

3.10.1 Manpower Position of ULBs in Telangana State

Adequate and qualified Manpower based on the service-oriented functions to be discharged within the reasonable time period is required for empowerment of the ULBs. This assessment could be done best by ULBs themselves considering various criteria such as (i) type/nature of service to be provided, (ii) extent of geographical area to be covered, (iii) population to be served, (iv) number of existing properties, *etc.* However, the ULBs neither had the powers to assess the staff requirement nor to recruit the permanent staff on their own.

State Government assessed¹⁷ the staff requirement based on population, revenue, properties *etc.*, without seeking the views of ULBs. The powers to make rules to govern the

¹⁷ vide GO Ms. No.218 MA&UD(G1) Department dated 15 June 2011

classification, methods of recruitment, qualification, conditions of services, pay and allowances, trainings, discipline and conduct and other service conditions of the common municipal staff as per Section-43(2) of TM Act, 2019 were vested with the State Government. Further, the powers to transfer the officers/staff between the ULBs and to deal with the appeals, against the order of ULBs imposing penalty on any of the officers and employees, also rests with the State Government as per Section-44 and 73 of TM Act, 2019 respectively.

Scrutiny of staff position of ULBs in the State revealed that the percentage of vacancies was very high in Group IV (94 *per cent*). In Group I and III, it was over 50 *per cent*. The Group-wise details of staff position is as shown in **Table-3.3**.

Table-3.3: Statement showing the staff vacancy position as on 6 January 2021

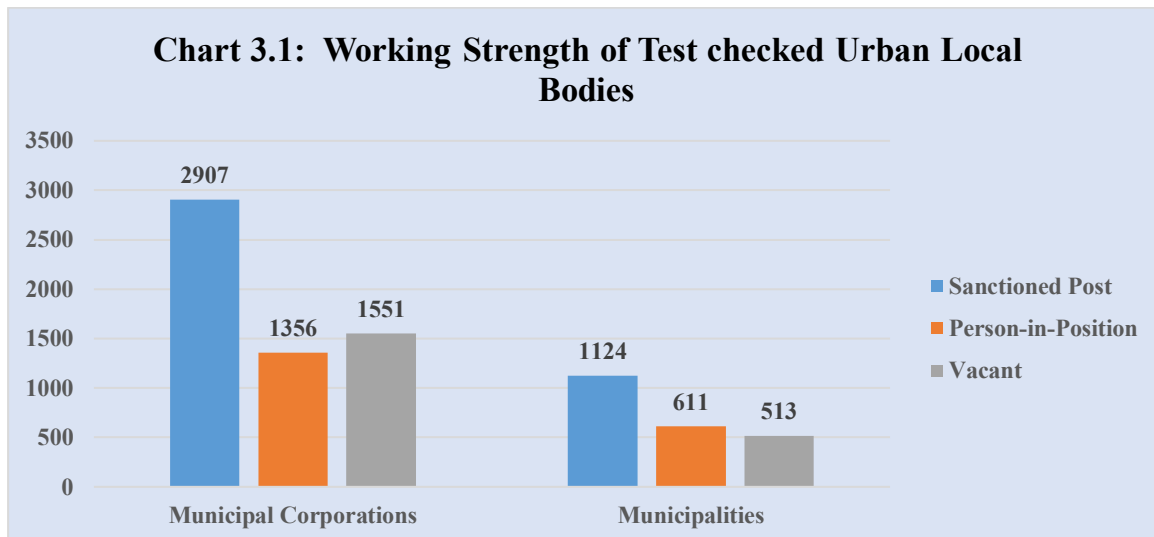
Sl. No.	Category	Sanctioned Strength	Persons in Position	Vacancy	Percentage of vacancy
(1)	(2)	(3)	(4)	(5)	(6)
1	Indian Administrative Service/ Group-I	232	83	149	64
2	Group II	58	54	4	7
3	Group III				
	Senior Accountant	96	32	64	67
	Health Assistant	141	70	71	50
4	Group IV/Junior Assistant	99	6	93	94

Source: Information furnished by CDMA

Further, it was seen from details furnished by the CDMA that 3,900 posts are vacant out of 8,752 sanctioned posts (all cadres) in the State, resulting in 45 *per cent* vacancies, affecting the delivery of services.

3.10.2 Staff position in test-checked ULBs

Tier-wise details of working strength of test-checked Urban Local Bodies showing sanctioned post, person-in-position and vacancies are given in **Chart-3.1**.



As seen, in the 17 test-checked ULBs, 2064 posts were vacant as against the sanctioned strength of 4,031, resulting in 50 *per cent* vacancies. The details are given in **Appendix-3.3**. We also noticed that ULBs were largely dependent on outsourced staff for service delivery and in 17 test-checked ULBs, 8087 outsourced staff were deployed during 2020-21.

In the exit conference (March 2022), Department accepted the observation of huge vacancies and large gap between the sanctioned strength and persons in position. As there was no staffing pattern earlier, the Government had framed norms (June 2011) for staffing pattern for ULBs, based on population, area and revenue to ensure uniformity in the staffing. However, the fact remains that manpower position in ULBs has not improved and the ULBs are largely dependent upon the outsourced staff for the service delivery.

3.10.3 Capacity Building

Capacity building is essential for strengthening the capabilities of personnel and for equipping them with advanced skills to deliver better services.

As per Section-42 of the TM Act, 2019 all Ward Members, Chairpersons, Vice-Chairpersons elected under this Act shall undergo training initially and in regular intervals on departmental activities and functions of ULBs, provisions of this Act and the Rules made thereunder. As per Section-72 (17) of the TM Act, 2019 capacity building programmes should be organised for the Municipal functionaries. The CDMA nominates participants from various ULBs for the training which is a continuous process to be reviewed periodically. However, no training programmes were held during 2015-2021 in 10¹⁸ out of 17 ULBs, as detailed in the **Appendix-3.4**. In the remaining seven ULBs, training was conducted either for the representatives or the employees only. We observed that no proposals were sent to CDMA on training requirements. The ULBs did not furnish the reasons for non-imparting the training as per the provisions of the Act. There was also no mechanism to obtain the feedback to evaluate the impact of training imparted to the staff of ULBs on the discharge of functions. We also observed that a database of trained personnel was not maintained by the Department.

Government stated (March 2022) that the training was imparted to elected representatives on departmental activities and functions of ULBs through Regional Centre for Urban Environmental Studies (RCUES), Ministry of Housing and Urban Affairs, GoI, Hyderabad.

3.11 Observations on selected Functions/Activities

To assess the efficiency of service delivery, five functions/activities devolved to ULBs have been selected for examination in the performance audit. Out of the five selected functions/activities, three functions *viz.*, 1. Public Health and Sanitation, 2. Solid Waste Management and 3. Water supply have been discussed in this Chapter, along with brief introduction of Water charges. Further, the observations relating to Property Tax and Water charges have also been discussed in detail in Para 4.1.5 of Chapter-IV of the Report.

¹⁸ Municipal Corporations of Boduppal, Karimnagar, Meerpet, Nizamabad and Ramagundam; and Municipalities of Kamareddy, Medak, Medchal, Siddipet and Wanaparthy

3.11.1 Water Supply system in Telangana

Water supply to residential, commercial and industrial establishments is an obligatory and important function of the ULBs, devolved by the State Government as per Article-243W of the Constitution. The ULBs receive bulk water supply from rivers through Mission Bhagiratha network, in addition to their own source of surface and ground water. As per the Service Level Benchmarks (SLBs) fixed by Ministry of Urban Development (MoUD) and recommended by 13th and 14th Finance Commissions, water is to be supplied to households on daily basis.

(A) Per capita norms for water supply

Telangana Government launched Mission Bhagiratha (2015) for supply of bulk drinking water drawn from the river sources through grid network to all households in the State. As per the project, quantity of water to be supplied was 100 lpcd¹⁹ (Rural areas/Gram Panchayats), 135 lpcd (Urban areas/Municipalities) and 150 lpcd (Urban areas/Municipal Corporations).

As per the recommendations of the 14th Finance Commission, the ULBs have to notify the SLBs of the basic services to be provided every year in the District Gazette. The ULBs had notified SLBs in the Gazette relating to four functions viz., (1) water supply, (2) wastewater management, (3) solid waste management and (4) storm water drains. As per the SLBs, water was to be supplied at 135 lpcd (24 hours water supply) in the ULBs with 100 per cent coverage of connections. We noticed that the water supply was deficient in 10²⁰ out of 17 test-checked ULBs and the percentage of shortfall ranged from 10 to 68 per cent as indicated in **Appendix-3.5**. Though water is supplied daily in nine²¹ ULBs, the duration of supply ranged between half-an hour and one hour. In the remaining eight ULBs where water is supplied through parastatal agencies²², it was noticed that in six²³ ULBs water is supplied once in two/three/six days in a week. Further, the effective quantity of water supply in seven²⁴ ULBs, where the supply was not made on daily basis ranged between 14 lpcd and 68 lpcd, indicating acute shortage of water.

Government stated (March 2022) that the per capita water supply under Mission Bhagiratha (8 ULBs) would be achieved on completion of the works such as additional storage reservoirs, distribution pipelines in uncovered/extended areas and by providing additional household connections. In respect of the two ULBs located within the Outer Ring Road, per capita water supply could be achieved through HMWS&SB on completion of the comprehensive scheme sanctioned in September 2021. Further, the CDMA accepted that the water supply indicators mentioned in the SLBs were not fully achieved.

¹⁹ litres per capita, per day

²⁰ Meerpet Corporation and Bhongir, Bodhan, Jangaon, Kamareddy, Medchal, Pedda Amberpet, Sadasivapet, Shadnagar and Wanaparthy Municipalities

²¹ Municipal Corporations: Karimnagar, Nizamabad, Ramagundam and Warangal; Municipalities: Bodhan, Jangaon, Medak, Siddipet and Wanaparthy

²² HMWS & SB and Mission Bhagiratha

²³ Municipal Corporation of Meerpet & Municipalities of Bhongir, Kamareddy, Medchal, Pedda Amberpet and Shadnagar

²⁴ Municipal Corporations: Boduppall and Meerpet; Municipalities: Kamareddy, Medchal, Pedda Amberpet, Sadasivapet and Shadnagar

(B) Non-Fixation of water meters

As per the SLBs fixed by MoUD (GoI) and recommended by the 13th and 14th Finance Commissions, meters were to be installed in 100 *per cent* of the water connections. However, no water meters were installed in any of the test-checked ULBs, except Warangal. In Warangal Corporation also, only a meagre 648 (less than 1 *per cent*) out of 1,74,666 households were fixed with water meters.

Government stated (March 2022) that the ULBs are encouraged to switchover to water meter system. However, the switchover to meter system would take time in view of the financial implications *i.e.*, cost of meters, additional staff required for meter reading and other factors. Further, the elected Councils of the ULBs have to take initiative in this regard.

(C) Increased extent of Non-Revenue Water (NRW) supply

As per the SLB 1.4 of 14th Central Finance Commission, the extent of non-revenue water supply should not be more than 20 *per cent* of the total supply. In Warangal Corporation, the water losses accounted for 33 *per cent i.e.*, loss of 55.80 Million Liters per Day (MLD) out of 168.92 MLD. In Ramagundam Corporation, water losses accounted for 28 *per cent i.e.*, loss of 10 MLD out of 36 MLD. No information on water losses was furnished by Bhongir Municipality and Meerpet Corporation and in respect of other 13 test-checked ULBs, it was within permissible limits.

Further, water audit²⁵ is to be conducted where piped water supply was being made, to detect the pilferage, losses *etc.* However, this was not done in 11²⁶ out of 17 test-checked ULBs. No information was furnished by two ULBs *viz.*, Meerpet and Nizamabad Corporations. The other four ULBs *viz.*, Boduppall Corporation and Kamareddy, Pedda Amberpet and Siddipet Municipalities informed that the water audit was being conducted. However, we were not provided the details/reports of such audit.

Government stated (March 2022) that the bulk meters were provided in 10 ULBs under AMRUT²⁷ scheme and 24x7 water supply had been taken up on pilot basis in Karimnagar Municipal Corporation for controlling Non-Revenue Water supply.

(D) Periodic Revision and fixation of water supply rates

We observed that the water charges were revised only in five out of 17 test-checked ULBs *viz.*, Ramagundam Corporation, Sadasivapet Municipality, Pedda Amberpet Municipality, Warangal Corporation and Wanaparthy Municipality.

Further, as per TM Act, 2019, the Government may make rules governing the allocation and classification of supply of water for residential and commercial purposes including shops, hotels, industrial undertakings and other such non-residential undertakings and determine the levy of charges for different categories. The draft Telangana Municipalities Water Supply, Drainage and Sewerage (Fixation of charges) Rules, 2020 had been submitted²⁸ by CDMA to Government on 10 December 2020. However, the same has not yet been approved (March 2022).

²⁵ as per Section-115 of the TM Act, 2019 and Para 15.2 of CPHEEO O&M Manual

²⁶ Municipal Corporations of Karimnagar, Ramagundam and Warangal & Municipalities of Bhongir, Bodhan, Jangaon, Medak, Medchal, Sadasivapet, Shadnagar and Wanaparthy

²⁷ Atal Mission for Rejuvenation and Urban Transformation

²⁸ CDMA Lr.Roc.No.27226/2020-H2 dated 10 December 2020

Government stated (March 2022) that instructions were issued (December 2020) for collection of water charges on monthly basis and Municipalities are taking action accordingly. However, Government did not reply on the issue relating to revision of water charges.

3.11.2 Solid Waste Management

In accordance with Solid Waste Management Rules, 2016 (SWM Rules, 2016²⁹), the State Government had framed the Telangana Solid Waste Management Policy and Strategy (TSWMP&S) in September 2018. Further, Rule-4 of Municipal Solid Waste (Management and Handling) Rules, 2000 states that every Municipal authority shall, within the territorial areas of the Municipality, be responsible for the implementation of the provisions of these rules and for any infrastructure development for collection, storage, segregation, transportation, processing and disposal of municipal solid wastes.

The Urban Local Bodies are required to ensure that solid waste generated in the city/town is managed in accordance with the provisions of SWM Rules, 2016. These rules also state the duties of solid waste management of various Departments/agencies like Urban Local Bodies, State Pollution Control Boards, Hospitals and Industries, *etc.* Further, every ULB has to prepare a Solid Waste Management (SWM) Plan within six months from the date of notification as per the TSWMP&S (September 2018). However, SWM Plan was not prepared in five of the 17 ULBs *viz.*, Municipalities of Medak, Sadasivapet and Wanaparthy and Corporations of Meerpeta and Warangal. Absence of a SWM plan affects the effectiveness of the waste management system and impact functions such as door-to-door collection of garbage, training to waste pickers, formation of Self Help Groups, collection of user charges, *etc.*

Government stated (March 2022) that the SWM Plans were prepared by all ULBs. Further, 100 *per cent* door to door garbage collection, training to staff at regular intervals and awareness campaign to households are being done in all ULBs.

3.11.2.1 Non-collection of User charges for collection of garbage

The ULBs can collect the User charges for the civic services like solid waste management, *i.e.*, for collection of garbage and disposal. Further, as per Telangana Solid Waste Management Policy and Strategy, 2018, the ULBs shall notify the User charges for door-to-door garbage collection for different categories once in two years. The User charges shall be informed to the public through Press statement and ULBs are also to achieve service level bench marking of 90 *per cent* in respect of collection of User charges. We noticed that in seven³⁰ out of 17 test-checked ULBs, User charges were not being collected from residential households.

Government stated (March 2022) that the ULBs have outsourced the collection and transportation of solid waste through Swachh Autos, being operated on owner-cum-driver basis on collection of nominal charges to reduce the financial burden.

²⁹ As notified by the Ministry of Environment, Forests & Climate Change

³⁰ Municipalities of Bhongir, Jangaon, Kamareddy, Medak, Sadasivapet, Siddipet and Wanaparthy

3.11.2.2 Non-identification of site for Sanitary Landfills in the Urban Local Bodies

As per Rule 15-zi of Solid Waste Management Rules 2016, every ULB shall undertake construction, operation and maintenance of sanitary landfill and associated infrastructure for disposal of residual wastes. The sanitary landfills are required to be established in and around the dumping yards. These sanitary landfills are necessary for disposal of the various types of waste *i.e.*, (i) non-biodegradable waste (ii) co-mingled waste (iii) pre-post processing rejects and (iv) non-hazardous waste not processed or recycled causing harm to the environment. Further, Rule-22 prescribes that the identification of suitable³¹ site should be completed within a year of notification of SWM Rules, 2016.

The TSPCB had issued the Implementation Schedule³² wherein the ULBs were instructed to identify the sites/land for the sanitary landfills by taking environmental issues into consideration and construct well-designed engineered sanitary landfill facility.

However, only two out of 17 test-checked ULBs *viz.*, municipalities of Sadasivapet and Siddipet had identified sites for sanitary landfills. The garbage/rejects in the remaining 15 ULBs is being dumped in open areas.

Government stated (March 2022) that all the ULBs have land for dump yards totaling to an extent of 966.81 acres. ULBs have also established the compost units for processing of wet waste and Dry Resource Collection Centres (DRCCs). Further, bio-medical domestic hazardous waste was handed over to the TSPCB certified agencies for processing. Due to this, there was drastic reduction in inerts *i.e.*, less than 10 *per cent*. The construction of sanitary landfills is being pursued on regional basis by taking into consideration the availability of resources *viz.*, technical manpower, land and finance.

3.11.2.3 Observations on Joint Physical Verification of dump yards

We conducted the Joint Physical Verification (JPV) of dump yards along with the ULB officials in 10 ULBs, to ascertain the compliance to the SWM Rules, 2016 in the functioning and maintenance of dump yards. The details of the JPV are shown in **Table-3.4**.

Table-3.4: Observations made during the Joint Physical Verification of dump yards

Sl. No.	Observations of Audit	Name of the ULB
(1)	(2)	(3)
(i)	Compound wall or fence for the dump yards was not existing in four ULBs and partially existed in two ULBs.	Nizamabad, Ramagundam Corporations and Jangaon, Medak Municipalities
		Warangal Corporation and Sadasivapet Municipality
(ii)	Approach road and internal roads did not exist in four ULBs and partially existed in one ULB.	Ramagundam Corporation and Jangaon, Medak, Wanaparthi Municipalities
		Sadasivapet Municipality

³¹ Common regional sanitary landfill facilities for a suitable cluster of local authorities up to 0.5 million population. For the population of 0.5 million or more, a common/standalone sanitary landfill site

³² Member Secretary, TSPCB Lr.No.MSW-03/TSPCB/CPCB-AR/2019 dated 19 July 2021 (Annexure-III/Schedule-II)

(iii)	Provisions like weigh bridge to measure quantity of waste and fire protection equipment not available in the dump yard, in four ULBs.	Ramagundam Corporation and Medak, Sadasivapet, Wanaparthy Municipalities
(iv)	Plantation to minimise the soil erosion was not done in six ULBs.	Ramagundam, Karimnagar, Warangal Corporations and Jangaon, Sadasivapet, Wanaparthy Municipalities
(v)	Green belt around the boundaries of the dump yards was not covered in six ULBs.	Karimnagar, Ramagundam, Warangal Corporations and Jangaon, Sadasivapet Wanaparthy Municipalities

3.11.3 Public Health and Sanitation in Urban Local Bodies

Health, Medical and Family Welfare (HM&FW) Department through Government hospitals discharge major functions relating to public health in urban areas. The role of ULBs is restricted to assessment of infectious diseases, control of mosquito growth and taking up of preventive measures. As contemplated in the TM Act, 2019, the activities of immunisation, vaccination, spraying, fogging, etc., are to be conducted by ULBs in coordination with HM&FW Department. In addition to this, Municipal authorities shall ensure implementation of Food Safety and Standards Act, 2006, handling of Construction and Demolition waste by identifying suitable places and modernisation of Slaughter-houses in accordance with TM Act, 2019.

- (i) The Municipalities have to handle the Construction and Demolition (C&D) waste and have to identify suitable place for its disposal and processing. It was noticed that six³³ out of 17 test-checked ULBs did not identify any land for construction and demolition waste. Though the land was identified in Karimnagar Corporation, the same was not put into use.

Government stated (March 2022) that it is planning to establish C&D waste processing plants on cluster basis considering the quantities being generated in the ULBs. The C&D waste processing facilities at Greater Warangal Municipal Corporation and Municipalities of Nalgonda and Sangareddy have been approved by the GoI.

- (ii) The duty of regulation and scientific management of Slaughter-houses and Tanneries rests with the ULBs. It was observed that there were no Slaughter-houses in three out of 17 test-checked ULBs viz., Bhongir, Kamareddy and Medak Municipalities. Though Slaughter-houses existed in two ULBs viz., Nizamabad and Warangal Corporations, these were not scientifically maintained as defined in the Prevention of Cruelty to Animals (Slaughter-House) Rules, 2001.

3.12 Conclusion

Out of 141 Urban Local Bodies (ULBs) in the State, 137 ULBs have their Local Self Government where elections were held between February 2016 and April 2021 with a delay ranging between four and sixty-six months. In the absence of an elected body, the Administration was run by Special Officers appointed by the State Government. State Government had not entrusted (March 2022) the task of delimitation to State Election

³³ Nizamabad, Ramagundam, Warangal Corporations and Jangaon, Sadasivapet, Wanaparthy Municipalities

Commission as recommended by the Second Administrative Reforms Commission and accepted by Government of India (GoI). Ward Committees were not constituted in three ULBs. District Planning Committees have not been constituted in any of the districts and no consolidated Draft Development Plans for considering local needs and matters of common interest were prepared. Though the provisions of the 74th CAA enunciates devolution of functions to the ULBs, most of the functions were discharged by State Government through its Departments/Parastatal agencies.

The Urban Local Bodies have no powers either to assess staff requirement or to recruit the staff, except outsourcing personnel as the State Government has retained these powers. Out of 8,752 sanctioned posts in the State, 3,900 posts (45 per cent) are vacant, resulting in larger dependence on outsourced staff for service delivery.

Water supply was deficient in terms of per capita norms in 10 out of 17 test-checked ULBs. Water meters have not been installed in any of the ULBs except in Warangal where the coverage is one per cent. Water Audit was not being done in 11 test-checked ULBs to detect the pilferage/losses. Draft Rules for periodical revision of water charges are yet to be approved by State Government and the ULBs were unable to meet the cost of water supply. Solid Waste Management was ineffective due to non-identification of sites for sanitary landfills in 15 out of 17 ULBs and non-collection of garbage charges from the households in seven out of 17 ULBs. Thus, the ULBs could not achieve the SLBs in water supply and solid waste management functions.

3.13 Recommendations

i. Legal and administrative arrangements

- The Government may ensure timely elections to Urban Local Bodies to enable them to function as Institutions of self-governance.
- Various Committees like Ward Committees, District Planning Committees may be constituted in the Urban Local Bodies as envisaged in the Telangana Municipalities Act, 2019 and encouraged to function effectively as envisaged in 74th CAA.

ii. Manpower/Staffing

- The Government may delegate adequate powers to Urban Local Bodies to assess and recruit staff required for efficient service delivery.
- The Government may impart training to all functionaries/employees in regular intervals to equip them to discharge their duties effectively.