

CHAPTER 11

Urbanization and Urban Governance

11.1 Urban growth is one of the demographic trends that accompany economic growth. Chhattisgarh is no exception to increase in urban population during the last few decades. As per Census 2011, Chhattisgarh has an urban population of about 59.37 lakhs constituting 23.24 percent of the total population of the state as against the nation's 31.16 percent. Chhattisgarh ranks 28 among the States and Union Territories in terms of urbanization in the Country.

11.2 The state experienced a decadal growth rate of 41.83 percent during year 2001-11 as against India's 31.80 percent signifying state's urban growth potential.

Population Projections – Chhattisgarh

11.3 Projections by report of Census of India indicate that by the year 2021 the state will have over 72.12 lakhs urban populations constituting 26.40 percent of the total population of the state. (Table 11.1)

Table 11.1: Urban Population Projections – Chhattisgarh

Census Year	Population (in lakh)	percentage of Population
2001	41.86	20.10
2011	59.37	23.24
2021	72.12	26.40

Source: Census of India, 2011, Population Projection for India and States 2001-21.

Urbanization in Districts of Chhattisgarh

11.4 Urbanization is not uniform across the 27 districts of the state. 4 districts viz., Raipur, Durg, Bilaspur and Korba have an urban population of about 60 percent, 13 districts have an urban population of about 39 percent. In the remaining 10 districts viz., Narayanpur, Bijapur, Balod, Balrampur, Bemetara, Gariaband, Kondagoan, Mungeli, Sukma and Surajpur have about 1 percent urbanization each. As per Census 2011, 32 of the 149 tehsils in the state have not any urban population and in another 17 tehsils it is less than five percent.

This growth in urban population is not only the result of natural growth of population but also the result of migration from rural areas as well as from other parts of the country. The reasons for urban concentration in a few districts are mainly because of industrialization. Raipur the state capital with over a million population, is a center for Iron & Steel market, Coal Exports, Cement Plants, regional hub for Trade, Commerce and Agricultural Marketing contributing to district's urban growth. Korba is the power capital and industrial hub of Chhattisgarh. The commercial contours of Korba changed dramatically after the establishment of National Thermal Power Corporation. Bilaspur is the railway zone headquarters and a large number of power plants

and industries are located in the district, attracting a large number of migrants into the urban areas. Durg is rich in minerals and many industries based on minerals like steel and cement products are located in the district. Bhilai, an economic hub with Bhilai Steel Plant, attracts industries as well as people. The other districts in the state have low levels of urbanization as they have large tracts of forest land inhabited by tribal population mostly living on forest based economy.

Higher growth of urban population puts heavy pressure on urban services particularly housing, water supply, sanitation, transport services, health services and disposal of solid waste.

Population based classification

11.5 In the state a majority of urban areas are small and medium towns. Of the 182 census towns, only 9 are Class I cities, 6 are Class II towns and the remaining 167 are small towns in the size class of III to VI. The population of Class I cities is about 53 percent compared to the total urban population of the state. At present the number of Class I cities is 13 in the state. (Table 11.2)

Table 11.2: Distribution of Towns by Size-Class (Census 2011)

Size Class	Population	Towns	Population	Percentage to Total
I	> 1,00,000	9	31,37,918	52.85
II	50,000 – 99,999	6	5,03,765	8.48
III	20,000 – 49,999	31	9,82,212	16.56
IV	10,000 – 19,999	51	7,20,288	12.13
V	5,000-9999	72	5,33,350	8.99
VI	<5,000	13	59,005	0.99
	Total	182	59,36,538	100.00

Source: Census of India, 2011

Municipalisation

11.6 One significant feature of urbanization in the state is that a majority of urban population are also municipal population. At present generally Nagar Panchayat are constituted for a population of 5,000 and above; Nagar Palika Parishad for a population of more than 20,000 and Nagar Palik Nigam for populations more than 1,00,000.

11.7 As discussed earlier, the ULBs are constituted for small populations; which in many cases appears to be non-viable. Their staffing pattern is very weak and there is a psychological opposition for the levy of PT as per the provisions of law as such a tax was not systematically levied in gram panchayats. In some cases, two or three gram panchayats were clubbed together to

form a NP. The cost of infrastructure in such ULBs appears to be high as the distances between different habitations that constitute a ULB is quite far.

11.8 The Model Municipal Law, circulated by the Ministry of Urban Development, Government of India recommended a minimum population of 25,000 for municipalization. The 65th Constitution Amendment Bill, which was later enacted with changes as 74th CA Bill, prescribed that Nagar Panchayat should be constituted for populations ranging from 10,000 to 20,000. (Table 11.3)

Table 11.3: Criteria for Municipalisation

State/Law	Nagar Panchayat	Nagar Palika Parishad	Nagar Palik Nigam
Model Municipal Law	Less than 25,000	25000-3,00,000	More than 3,00,000
74 th Constitution Amendment Bill	10,000 -20,000	20,001 -3,00,000	More than 3,00,000
Chhattisgarh	5,000 -20,000	20,001- 1,00,000	More than 1,00,000
Andhra Pradesh	25,000 -40,000	40,001-4,00,000	More than 4,00,000
Karnataka	10,000 -20,000	20,001 -3,00,000	More than 3,00,000
Madhya Pradesh	20,000 -50,000	50,001 -3,00,000	More than 3,00,000

Source: Respective Municipal Acts and Rules

In the opinion of the Commission the norms for the constitution of ULBs in Chhattisgarh are very low compared to the existing practice in other states. To enable the ULBs to provide efficient services and infrastructure there is a need to revise the norms. Nagar Panchayat should not be constituted below the population of 10,000.

(i) *The Commission recommends that Nagar Panchayat should be constituted for 10,001 to 30,000 population; Nagar Palika Parishad for 30,001 to 2,00,000 population and Nagar Palik Nigam for more than 2,00,000 population.*

(ii) *The Commission also recommends that to avoid confusion with the word 'Panchayat' the name of Nagar Panchayat should be changed to 'Nagar Parishad.'*

Good Governance

11.9 Good urban governance is important for efficient service delivery, strengthening finances, responding to citizen needs and grievances, sustainable development and to contribute to urban growth momentum.

Organizational Framework

11.10 The Chhattisgarh Nagar Palik Nigam Act, 1956 and the Chhattisgarh Municipalities Act, 1961 are two Municipal Legislations governing the ULBs. The Urban Administration and Development Department is the nodal department responsible for policy, legislation, coordination, monitoring and review of progress of development programs in urban areas. The Director Urban Administration and Development is the head of the department responsible for the implementation of policies, laws and programs. The State Urban Development Agency, established to administer urban poverty alleviation programs and general development functions. The UA & D Department has five regional offices each headed by a Regional Joint Director for guidance and supervision of ULBs and to monitor implementation of development programs.

11.11 There are other departments and parastatals with close relations with the ULBs, impacting their functioning substantially. They include:

- (i) The Director Town and Country Planning are responsible for the implementation of Town and Country Planning Act 1973 in all ULBs and for preparing master plans and their implementation. But T&CP is part of Department of Housing and Environment and not UA & D Department.
- (ii) The planning and execution of urban water supply projects are generally entrusted to Public Health Engineering Department (PHED), which is a separate department.
- (iii) The LFAD under the Finance Department is responsible for audit of all ULBs.
- (iv) The Raipur Development Authority is responsible for implementation of master plan in its jurisdiction.

11.12 The District Collector facilitates coordination between ULBs and other departments like education, health, social welfare, etc. The District Collector, as the chairperson of the District Urban Development Agency, is responsible to supervise the implementation of urban poverty programs.

11.13 The ULBs in Chhattisgarh have both deliberative and executive wings. The mayor/president heads the deliberative wing with elected councilors and nominated elder man. The Commissioner in case of Nagar Palik Nigam and CMO in case of Nagar Palika Parishad and Nagar Panchayat head the administrative wing.

Election in Municipalities

11.14 There are total 3217 wards in Municipalities of Chhattisgarh. Categorywise number of Mayors/Presidents and Corporators is mentioned in table 11.4.

Table 11.4: Categorywise elected representatives in ULBs

S.No	ULBs	Number	Details of Representatives		
			Mayor/ President	Number of Wards	Elected Corporator
1.	Nagar Palik Nigam	13	13	688	688
2.	Nagar Palika Parishad	44	44	864	864
3.	Nagar Panchayat	111	111	1665	1665
	Total	168	168	3217	3217

Source: Administrative report of UA&D Department, 2017-18

11.15 There is a positive change in urban local bodies election that Schedule Casts, Schedule Tribes, Other Backward Class and Women have got reservation in election. In local bodies where women are in position, it is experienced that they execute their work very efficiently. This should be encouraged.

The Commission recommends for women empowerment, in case of womens are elected in 2/3rd or more of total posts in a Nagar Panchyat, a special grant of Rs. 5.00 lakh be sanctioned to that NP.

Functional Domain

11.16 The Municipal Acts in the state have been amended to incorporate eighteen core functions included in the 12th Schedule of the Constitution to the ULBs. Some of these functions like water supply, sanitation, solid waste management, registration of births and deaths, street lights, etc. were included in mandatory category and others like urban planning and regulation of land use, planning for social and economic development, roads and bridges, poverty alleviation etc., were included in optional category as can be seen from **Annexure 11.1**.

Transfer of the functions to ULBs has not been absolute, and where it is transferred it was not accompanied by decentralization of funds and functionaries. As a result, as the 1st SFC has noted, the capacity of ULBs to perform the functions is restricted and limited (Para 9.4.1). A study of the actions taken on recommendations of the 2nd SFC report brings to light that some changes have taken place but it is yet to reach a hundred percent. Status of implementation of 12th Schedule functions by ULBs can be seen from **Annexure 11.2**. This factor was also mentioned by the representative of the ULBs during the divisional level meetings. An analysis regarding performance of these functions by the ULBs reveals a wide gap between expectations of the 74th Constitution Amendment Act and the

actual performance by the ULBs. The functions not transferred to the ULBs are being performed or undertaken by other departments or parastatals like DTCP, PHED and RDA etc.

Staffing

11.17 The Commissioners and CMOs are the executive head of their institutions. Every municipality should be staffed with engineer, health officer, town planner, accountant, public health engineer, etc. The following table 11.5 gives the staffing status as of year 2016-17. It can be seen that there is a shortage in the filling of sanctioned regular posts that are in turn being filled in by contract and daily wage earners. The Nagar Palik Nigam have around 25 percent posts vacant from the sanctioned posts, whereas the Nagar Palika Parishad and Nagar Panchayat have 34 percent and 28 percent of vacant posts respectively. This gap needs to be filled up at the earliest.

Table 11.5: Staffing Position in ULBs

S.No.	ULBs	Sanctioned Posts	No. of Employees				
			Regular	Daily wage	Total	Vacant Posts	Percent of vacant Posts*
1.	Nagar Palik Nigam	11,238	8,398	1,892	10,290	2840	25.27
2.	Nagar Palika Parishad	3146	2053	1435	3,428	1093	34.74
3.	Nagar Panchayat	1,790	1,278	1,498	2,716	512	28.60

Source: Director of Urban Administration and Development,

* Vacant posts exclude the persons working on a daily wage basis.

Technical and Other Staff

11.18 The ULBs are suffering from shortage of staff in technical, accounts etc. In several ULBs the posts of engineers are vacant and engineers from the neighboring ULBs or the Regional Joint Director's office are attached. They visit only in case of urgency therefore work substantially suffers. The Commission observed that untrained and unconcerned workers are deputed to various departments of ULBs. It was also observed that officers from other departments not having experience of working in ULBs are attached on important portfolios. Similar problem exist with accounts, and revenue. In the absence of regular staff, daily wage workers or placement staff undertakes most of the functions. The problem is critical in newly upgraded Nagar Panchayat.

11.19 Inadequate and untrained staff is seriously affecting governance of ULBs. The other problems are delay in project planning, execution, improper maintenance of records and non-availability of data etc. Because of the posting of large number of out-sourced personnel, daily

wage employees / placement staff there are problems of continuity, motivation, and accountability.

The Commission recommends that government should take corrective measures by providing sufficient and efficient staff at all levels.

The Commission recommends that Salaries and allownaces of the officers from the other departments posted to ULBs on deputation should be born by the Government, because financially ULBs are not in position to bear this expenditure.

Municipal Cadres

11.20 One of the major problems of municipal administration in the State is the weak staffing pattern and absence of well-equipped cadres of officials in different functional areas to manage the urban growth. This issue of streamlining and restructuring of cadres was also brought out in the one day Mayor's workshop held in Raipur on the 23rd of September 2016.

The Commission recommends streamlining the existing cadres and constitution of new cadres where necessary e.g. accounts, revenue, environmental engineering and town planning to bring professionalism in urban management.

Chhattisgarh Nagar Palika Parishad Rajasva Viniyamak Aayog

11.21 The gazette notification of Chhattisgarh Municipal Rajasva (Viniyamak Aayog ki Sthapna) Adhiniyam, 2011 has been published on May 11th 2011; it is observed that it is not functional at present.

The Commission recommends that Chhattisgarh Municipal Rajasva Viniyamak Aayog should be made functional immediately.
