

THE CITY MANAGER

A Quarterly Newsletter of City Managers' Association Orissa

CMAO is a membership based organization of City Managers from urban local bodies, development authority and institutions / individuals in the field of Urban governance etc in Orissa

City Managers' Association Orissa

Provide Better Services to Citizens through Professional Management

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CMAO at Phitsanulok, Thailand
Orissa Urban News
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International Days

CMAO participated in the Regional Workshop on Pro-Poor and Sustainable Urban Water and wastewater Management 1-3 December 2003 Phitsanulok, Thailand.

In a rapidly urbanizing world, where already half of the world's population lives in cities and towns, at least 1 billion people suffer from the dangers and indignities associated with the lack of clean water and adequate sanitation. In urban Asia, 700 million people, half the urban population, lack clean water, and 800 million are without adequate sanitation. Moreover, many governments, international financial institutions and aid agencies have concentrated their efforts on rural areas, assuming that the poor in cities are comparatively privileged when it comes to the provision of water and sanitation.

Many local authorities and NGOs have initiated innovative approaches in pro-poor water and wastewater management including innovative community-based approaches to the provision and maintenance of water and wastewater infrastructure, recycling of water and pricing of water to encourage conservation. There is an urgent need to share these innovations among cities of Asia and the Pacific. The workshop provides an opportunity to identify and share city-level best practices and innovations in provision of water-related services to the poor.

Workshop objectives

1. To provide an understanding of the concepts, approaches and strategies for promoting pro-poor and sustainable urban water and wastewater management
2. To share innovative practices in pro-poor and sustainable water and wastewater management among

New Minister of Urban Development



CMAO welcomes Hon'ble minister of Urban Development and Public Enterprises **Shri Kanak Vardhan Singh Deo**. He was formerly Minister of Industries and Public Enterprises.



Participants at the Regional Workshop on Pro-Poor and Sustainable Urban Water and wastewater Management

national, sub-national and local government officials, non-governmental and community-based organizations and research and training institutes in Asia and the Pacific

Themes and focus areas

The overarching themes of the workshop are:

- Sustainability of urban water and waste water infrastructure and services
- Improved access by the urban poor to water and waste water infrastructure and services
- Within this overarching framework the workshop will examine three topics:
 - Pricing of water and wastewater
 - Innovations in provision of water
 - Innovations in provision of wastewater infrastructure and services

Newsletter First & Second
Quarter 2004
Volume 2 No 1&2



Friends of Cities

City
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Orissa

Organizers and sponsors

The Workshop is jointly organised by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the Regional Network of Local Authorities for the Management of Human Settlements (CITYNET), the Infrastructure Development Finance Company (IDFC) and the National Institute of Public Finance and Policy (NIPFP). The Workshop hosted by Phitsanulok Municipality, Thailand.

The coordinator of CMAO has participated in the workshop as a speaker. He presented a paper on **Cost Effective Environment Infrastructure for wastewater Management and Amusement**. Among others there were presenters from India, Pakistan, Vietnam, Thailand, and Japan. The workshop ended with an action plan on the subject of the workshop.

Orissa Urban News

The **Second State Finance Commission** constituted on 05.06.2003 has submitted its first report to the Government. In which the commission has recommended devolution of Rs 1059.15 crore to PRIs and ULBs out of which Rs 211.85 crore is the share of ULBs, for the award period of five years from 2005-06 to 2009-10.

Double Entry Accounting System training programmes for the Urban Local Bodies of Orissa was organised by Housing and Urban Development Department. The programme was organized in phased manner in which all 103 Urban Local Bodies were covered. Executive officers and accountants of the ULB's participated in the training programme. After training programme ULB's in Orissa are in the process of the switching to double entry accounting system.

Bhubaneswar Municipal Corporation joined in the Cities for Climate Protection (CCP) project with the support of the USAID / ICLEI. CCP will assist local governments to achieve measurable reductions in the emissions that cause air pollution and global warming. Bhubaneswar is one of the participating cities among the 550 local governments' cities worldwide. The project will find innovative and cost-effective solutions to environmental and urban management problems that also mitigate the emission of climate-damaging **Green House Gases (GHGs)**.

CMAO Presidents Desk**Dear Readers**

I have the pleasure to present you the first & second quarter newsletter of 2004 'THE CITY MANAGER' which will update you with the activities & progress of CMAO as well as some of the & best practices in urban development.

During 1-3 December 2003 CMAO participated at the Regional Workshop on Pro-Poor and Sustainable Urban Water and wastewater Management, Phitsanulok, Thailand. The coordinator has presented a paper and brought CMAO in the international forum.

CMAO has initiated the **Municipal Services Performance Measurement Programme** for its members. In the first stage class – I towns of Orissa which include Bhubneswar, Cuttack, Puri, Baripada, Balasore, Rourkella, Sambalpur and Berhampur were considered. This report will amply help in understanding the Municipal Performance of cities in Orissa and further improvements. During the second phase the project will be extended to other towns in our state.

Secondly, CMAO has designed first ever **Municipal Services Citizens Report Card** in the state. This report card will help our city managers to understand the citizens' perception and behaviour on Municipal services.

Further more CMAO and NIHM are working together to organize training programmes for non-elected and the newly elected councilors, corporators, chairmen's, mayors etc on good urban governance.

We thank Berhampur Development Authority for supporting the publication of this newsletter and request others to come forward in supporting the publication of the CMAO Newsletter in the days to come.

Finally I urge city managers to work together in achieving the mission and objective of CMAO and to make cities as engines of growth in the state's development.

Please actively participate in CMAO activities.

**Suresh Chandra Mantry, IAS
President CMAO
& Vice Chairman Bhubaneswar Development Authority**

Municipal Revenue in Orissa 1998-03: Need for Reforms

In this age of globalization, competitiveness, rapid urbanization, and localization it is difficult to ignore the role of urban local bodies in attracting investments, providing employment, and delivering basic services. These all brings about changing role of the city administration from policy driven to a community market driven urban management. This one way set the agenda all over the world for recognizing the local government as a form government through respective legislation's.

One of the most important aspects of Municipal

year 2001 – 02. 2001 - 03. Similarly the income from Non Tax Revenue rose from 1845.88 Lacks in 1998 - 99 to 2699.53 Lacks in the year 2002.03. The Non Tax Revenue is increasing on an average of 10%.

Need of Reforms in Municipal Revenue

Urban Local Bodies (ULBs) in Orissa need to generate more revenue to meet the growing demand of urban services. Mobilization of resources in ULBs requires imposing new taxes, increasing tax or fee rates, or introduce management innovations within the existing revenue structures. Therefore many ULBs in India has reformed the existing system of the revenue collection.

Tax Revenue

	98-99	99-2000	2000-01	2001-02	2002-03
Octori / Entry Tax	6416.63	2435	8500	9500	10500
Holding Tax	382.73	715.99	793.92	828.48	717.3
Lighting	189	144.93	228.71	251.57	276.75
Water Tax	97.92	107.49	118.25	130.07	143.04
Scavenging	131.67	144.83	159.31	175.24	192.76
Vehicle	36.05	39.65	43.61	47.98	52.78
Drainage	41.24	45.36	129.9	142.89	157.18
Others	0.39	0.44	0.48	0.53	0.59
Total	496.27	482.7	680.26	748.28	823.1

Non Tax Revenue

	1998-99	1999-20	2000-01	2001-02	2002-03
Fairs & Festivals	18.1	19.91	21.9	14.09	26.49
Fishery Rental	30.85	33.94	37.33	41.07	45.17
Bus stand	159.72	175.7	193.28	212.61	233.85
Advertisement	37.33	38.86	42.75	47	51.71
Ferry Service	27.59	30.35	33.39	36.72	40.39
Fines & Penalties	22.62	24.89	27.37	30.11	33.12
Trade License	62.86	69.13	76.04	83.65	92.01
Others	1486.81	1635.48	1799.03	1978.91	2176.79
Total	1845.88	2028.26	2231.09	2444.16	2699.53

Management is availability of the resources. In Orissa the income of urban local bodies consists of (i) Own Revenue (ii) transfers and (iii) Others. Holding tax and Octori (before its abolition) constitute the most important sources of tax revenues. The urban local bodies of Orissa collect lighting tax, water tax, drainage tax, registration fees, licence fees and earn income from public property and remunerative enterprise vested in them. ULBs are also empowered to collect fees from bus stand, taxi stand and collect advertisement tax, entertainment / show tax as well. ULBs in Orissa however, depends more on their tax revenues than non-tax revenues.

Based on the above table it is observed that Urban Local Bodies Revenue income rose from 496.27 Lacks in 1998 – 99 to Rs 823.1 Lacks in 2002 – 03. In terms of growth 40.01 recorded in the year 2000-01 and later 10% in the

These reforms include improved billing and collection, rationalization of service charges, simplification of the tax assessment system, computerization of records, and improved accounting and financial management systems.

These reforms reflected in increased revenues and service delivery in cities e.g. Indore Municipal Corporation Revenue increased from Rs. 42 crore during 1995-96 to Rs. 126 crore during 2001-02. At the same time, revenue from own sources increased from Rs. 16 crore to Rs. 56 crore. This all happens with simple reforms carried out by cities in the area of Urban Governance & Finance. Today like Indore many cities in India both bigger and smaller cities has improved their financial base and service delivery by reforming and simplifying the existing systems of urban Governance in India. **For further information contact CMAO.**

Municipal Accounting Reforms in India an Update

In pursuance of the recommendations of the Eleventh Finance Commission, Government of India, Ministry of Finance, Department of Expenditure issued *Guidelines for the Utilization of Local Bodies Grants* in June 2001. In terms of paragraph 6.5 of these guidelines, the Comptroller and Auditor General (C&AG) of India was to prescribe the format for preparation of budgets and for keeping of accounts of Urban Local Bodies (ULBs). The Hon'ble Supreme Court of India had also been hearing a public interest litigation relating to the functioning of the ULBs, wherein one of the issues raised was regarding appropriate accounting system for ULBs. Accordingly, C&AG of India constituted a Task Force in February 2002 to evolve appropriate accounting formats for ULBs. The Task Force submitted its report on *Accounting and Budget Formats for Urban Local Bodies* to the Ministry of Urban Development and Poverty Alleviation in December 2002. The report of the Task Force was accepted by the Government of India and thereafter forwarded to State Governments in April 2003 for implementation of the accounting and budget formats as prescribed by the Task Force, keeping in view the local requirements.

In this context, 'National Workshop on Municipal Accounting Reforms' was organized by the Ministry of Urban Development and Poverty Alleviation, (MOUD & PA), Gol, National Institute of Urban Affairs (NIUA), Financial Institutions Reform & Expansion Project FIRE (D) and USAID on September 26, 2003 at New Delhi to review the progress made by the various State Governments in the area of municipal accounting reforms and to finalize a countrywide time bound program for implementation of the municipal accounting reforms and the recommendations of the Comptroller and Auditor General (C&AG) 'Task Force'. The workshop deliberated on the major recommendations of the task force and the following consensus were emerged on these recommendations:

1. Policy decision by the State Governments on adoption of the Task Force report on accrual system of accounting by ULB's: All participating State Government's representatives agreed in principle with the recommendations of the Task Force report in adopting accrual system of accounting by ULBs within 3 months.

2. Constitution of State Level Steering Committees: All the participating representatives agreed to constitute State Level Steering Committees. It was also agreed that though the ever, it was decided that the time frame for completing the exercise by 30th June 2004 should be adhered by the states.

3. Development of Accounting Manual: It was agreed that the C & AG, with USAID FIRE project support, would prepare a Model Accounting Manual by February 2004 and its draft should be circulated to the States for comments. The final Model Accounting Manual will be provided to the State Governments and based on the same the State Governments can prepare their respective State specific accounting manuals according to their own requirements.

4. Manpower, Training and Implementation Support: It was decided that the C&AG team will, with USAID FIRE project support, prepare a model-training module by April 2004, which would be circulated amongst the States. State Governments can use the model-training module according to their requirements and prepare state level training modules.

5. Verification and Valuation of Assets and Liabilities: It was agreed that the municipal officials should start the process of identifying ULB's assets at the earliest. However, since the asset valuation requires specialized expertise, outside professionals may be appointed by ULBs for the purpose.

6. Parallel run of the old and new accounting system: It was agreed that the parallel run of old and new accounting system, should continue at least for one year till the new system stabilizes.

7. Computerization of Budget and Accounts: It was decided for the purpose of uniformity, uniform software for computerization of budget and accounts will be developed by the MOUD & PA, which will be given to all the States and the States may on their part make necessary changes in the software according to their requirements. It was agreed that monitoring committee constituted by MOUD & PA, as suggested by Task Force, would look into the issues encountered by the state governments in the development of state specific manuals and the interpretations of the recommendations of the Task Force. It was also agreed that MOUD & PA would organize regional workshops to discuss the progress and problems faced by the states in implementing accounting reforms.

Indo-USAID FIRE (D) Project

Development of Women and Children in Urban Areas (DWACUA) in Hyderabad Municipal Corporation

Development of Women and Children in Urban Areas, popularly known, as DWACUA is a scheme meant for empowerment of Women and Children. The purpose of DWACUA, a component of Swarna Jayanthi shahari Rojgar Yojana (SJSRY) is to encourage the women of below poverty line to set up group economic support activities themselves. Under this component 50% of the project cost or the loan amount agreed by the banker or the amount not exceeding Rs. 1.25 Lakhs will be provided to each DWACUA group through the bank under SJSRY. In Hyderabad 136 DWACUA groups have been formed. 20 groups have been benefited under this component. Out of these, 8 DWACUA groups are engaged in sweeping and lifting of garbage work. Sanitation contract was allotted to these groups and Lorry Tippers were provided with the Bank Loan. Further 14 DWACUA groups are assigned with the sweeping contract.

Community Contracting: Women Groups

Community Contracting is a novel scheme implemented by the Municipal Corporation of Hyderabad (MCH). The Corporation has recently allotted 14 sanitation units to DWACUA (Development of Women and Children in Urban Areas) Groups of women on the same terms and conditions for sweeping and garbage lifting as applicable to private contractors and the scheme is running very successfully. The women groups are the direct contractors to the Corporation and they no longer operate through middlemen. They are working with zeal and dedication. As stipulated by the scheme, the women organise themselves into a thrift and credit group, which decides on the monthly amount to be saved per family. Group savings are used to mobilize credits from banks for members to take up income generation activities and meet family exigencies.

Reducing Unaccounted for Water in Nagpur Municipal Corporation

Nagpur Municipal Corporation the sole responsible agency for efficient water supply in the city. Over the period of time the city authority found it difficult to control the unauthorized or illegal households connection. It is estimated that there were nearly 35000 unauthorised water connections in Nagpur city in 2001. Thus the water supply department of NMC came up with a innovative

idea to use the licensed plumbers for finding the illegal connection in the city.

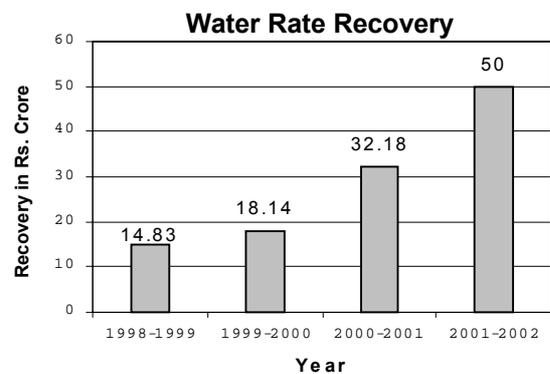
Innovations

- Simplification of application form
- Simplification of office procedure for sanctioning regularization
- Wide publicity
- Disconnection in case of refusal to cooperate
- Leadership roles and political support

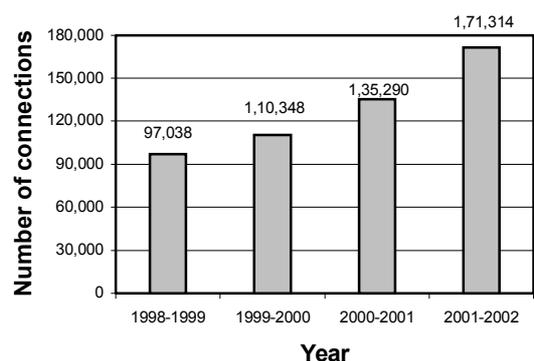
Results

Illegal connections regularized Out of the estimated 35000 illegal connections in the city, about 25000 (71%) were detected and regularized within a period of 4 months.

Revenue enhancement: The water tax revenue of NMC has shown substantial increase. The quantity of water billed in 1998-99 was 163 MLD, whereas in 2002-03 the quantity billed was 300 MLD



Universal metering: This initiative has brought the NMC closer to its goal of universal metering in the city. Since 1998, about 75000 new connections have been metered.



Citizens' response: The time-bound regularization scheme received tremendous response due to the simplified procedures and reasonable charges. The citizens' feedback as reported in the media was very positive.

Visit useful Website on Urban Development

- www.bestpractices.org
- www.ourmch.org
- www.oneworld.net

Introduction



Berhampur, known as Silk City in Orissa is the third largest populated, commercial and academic city of Orissa. The city is famous for fine work on gold ornaments of

southern design. Berhampur is also famous for delicious southern dishes.

City Profile

Population: 289724 Density: 8643
Area: 3352 Km² Water Supply: 33 MLD

Population Growth in Berhampur

Berhampur is one of the populous towns in the state. As per the latest census its population is 289724 which is 37.69 growth over the decade. Similarly the population growth in average around 30%. The highest growth 52.87% occurred in the decade 1961-71.

Year	Area (Km ²)	Population	Percentage of Growth	Density Per Km ²
1951		62343		
1961		76931	23.40	
1971	29.29	117602	52.87	4015
1981	29.29	162550	38.22	5550
1991	33.52	210418	29.45	6277
2001	33.52	289724	37.69	8643

Source: Compiled from Census Reports 1971, 1981, 1991.

In terms of its areas has grown from 29.29 Sq Km in 1971 to 33.52 Sq Km in 2001. The density pattern reached from 4015 of 1971 to 8643 in 2001.

Linkages

The city is located along the corridors of the Coastal railway (Formerly southeastern Railway) and National highway five between Kolkatta and Chennai. The city is well connected from Ahemedabad, Mumbai, Kolkatta, Chennai, Hyderabad and Bangalore by rail.

Tourist Attraction

It is the gateway to the southern India and to south Orissa. The nearby important tourist places are Gopalpur, Chatrapur, Chilika, Thakurani Temple, Jagannath Temple at Gosaninuagaon, Neela-kantheswar Temple etc. The city

presently home to professional colleges and institutions of national repute.

Berhampur Development Authority (BDA) was constituted on 26th July 1993 to regulate and monitor the development of the city. BDA functions under the Orissa Development Authorities Act. BDA undertakes the preparations of the development plans, zonal plans and regulates developments in its area including the Building plans.

The city has its master plan prepared way back in 1968. Presently Development Authority is in the process of preparing the Comprehensive Development Plan for the city.

Berhampur Development Authority is administered by the Vice Chairman and there were officers to look after the Planning, Engineering and Horticulture component of the city development.

For Further Information Contact:

Mr. Manish Kumar Verma, IAS
Vice Chairman
Berhampur Development Authority
Berhampur, Ganjam, Orissa, India
Phone: 0680- 2202018

National Urban News

RS 980 Million Infrastructural Development Funding for Small & Medium Towns:

The Ministry of Urban Development would fund 111 small and medium towns across the country for infrastructural development. The development works, to the tune of Rs 980 million in the current financial year, would include building of hospitals, community centres, markets, bridges, guest houses and structures that can yield revenue to respective local bodies. As per the decision, the funding to be released under the Integrated Development scheme would cover 111 towns in 12 states.

World Bank Increases Annual Lending to \$3 billion for Infrastructure Sector in India:

With the World Bank's decision to increase its annual lending to India from the present \$ 1.5 billion to \$ 3 billion, infrastructure funding will no longer be a constraint. The core areas identified by the Bank are energy, transport and water.

Welcome/Farewell

A number of changes have taken place since our last edition.

President

Mr Suresh Chandra Mantry, IAS joined, as vice Chairman Bhubaneswar Development Authority thus becomes the President of CMAO. Mr. Sarbeswar Mohanty, IAS, and President CMAO transferred.

Vice President

Mr Issack Behera, IAS joined as the Municipal Commissioner of Cuttack Municipal Corporation.

Treasurer

Mr Krupasindhu Mishra OAS joined as Project Manager SUDA

Retired

Mr Yusuf Khan Director General NIHM and Planning Member BDA retired from the Govt Service. He has applied for the individual membership of CMAO

New Members of CMAO

Applications for new membership were received and are to be placed in the Managing Committee for approval.

Note: All members are requested to provide us information to be placed in the Newsletter

Memberships fees Structure of CMAO

Institutions	Corpus Fees	Annual Membership Fee
Municipal Corporation of Bhubaneswar, Cuttack	100,000	50,000
Development Authority of Bhubaneswar & Cuttack	100,000	50,000
Municipalities of Puri, Rourkella, Berhampur, Sambalpur & Paradeep	50,000	25,000
Municipalities Population above 1, 000, 00	30,000	15,000
Municipalities Population between 50,000 and 99,999	20,000	10,000
Municipalities Population below 50,000	15,000	7,500
Notified Area Councils	10,000	5,000
Other Development Authority	50,000	25,000
State Urban Development Agency	10,000	10,000
National Institute of Habitat Management	20,000	10,000
All Regional Improvement Trusts	10,000	5000
All Special Planning Authority's	10,000	10,000
Other Institutions	10,000	10,000
N.G.O's	10,000	5,000
Individuals	0	500
Students	0	100

For membership information contact CMAO coordinator

International Days

Safe Roads: 2004 World Health Day Theme

Traditionally held on 7th April, the date of establishment of the WHO (World Health Organization), this annual event is used as an important mechanism to reach out and engage the general public in health messages.

Research suggests that Deaths from injuries are projected to rise from 5.1 million in 1990 to 8.4 million in 2020—with increase in road traffic injuries as a major cause for this rise. Currently deaths from road traffic injuries account for 2.2% of the global mortality affecting all age groups. Estimates of yearly accident costs in developing countries are US\$80 billion, a sum that is greater than that received annually as bilateral and multilateral aid by these countries.

The *World Report on road traffic injury prevention* by the WHO and the World Bank was launched globally in Paris, France. **For further information log on to**

www.who.int/world-healthday/2004/en/
www.trl.co.uk

Water and Disaster: Be informed and be prepared: 2004 World Water Day Theme

The theme of this year's observance of World Water Day is "Water and Disasters: Be informed and be prepared". Water-related disasters – including floods, droughts, hurricanes, typhoons and tropical cyclones – inflict a terrible toll on human life and property, affecting millions of people and provoking crippling economic losses. Over 75 per cent of all natural disasters are related to weather and climate. Floods and droughts are major causes of natural disasters. Over the last 10 years disasters of hydrological, meteorological and climatic origin have been responsible for over 90 per cent of all deaths due to natural disasters. Moreover, 98% of the people affected are from developing countries.

On March 22nd around the world people observed the world water day and official annual celebration was held in Geneva, Switzerland. **For further information log on to**

<http://www.waterday2004.org>

Profile

City Managers' Association Orissa

The City Managers' Association Orissa, is one amongst the eight such association located in states of Gujarat, Madhya Pradesh, Utranchal, Karnataka, Andhra Pradesh, Tamilnadu, Maharastra and Rajasthan. City Managers' Association Orissa:

- is a membership based association of urban local bodies of Orissa and institutions / individuals in the field of Urban governance.
- It will provide a common platform to the "City Managers" to interact, exchange information and channel their efforts to achieve common goals.
- It also acts as a nodal agency to carry out various programs towards strengthening local governance.

The Association aims to strengthen local capacities of urban local bodies in addressing urban development, with the overall objective to improve the urban quality of life and reduce urban poverty.

CMAO Mission

Provide better services to citizens through professional management

CMAO objective includes:

Information Exchange & Dissemination

On urban issues, best practices, technologies, cross country management experience through publications (newsletters, manuals and books), workshops, seminars, and audiovisuals media.

Training skill up gradation & Capacity Building for Professional Development

For professional development through workshops, seminars, short training programs and overseas training

Advocacy

By raising the sensitivity of state and central governments to urban issues

Be a Supporter of CMAO Friends of Cities By

- ✓ Pay your / Institutional dues
- ✓ Promote Individual membership within your Institutions
- ✓ Participate fully in CMAO's activities
- ✓ Be a proactive member – organize activities at your institutions
- ✓ Donate generously
- ✓ **REMEMBER! CMAO IS YOUR INSTITUTION**

News Letter for internal circulation only

CMAO Organization Structure

Patron

Smt Rajalakshmi
Principal Secretary to Govt. H&UD Department

President

Mr Suresh Chandra Mantry
Vice Chairman,
Bhubaneswar Development Authority

Vice president

Mr Bibhu Prasad Mishra
Director Municipal Administration, Orissa

Mr Sanjay Rastogi
Vice Chairman,
Cuttack Development Authority

Mr Bijay K. Mohanty
Member Secretary,
State Urban Development Agency

Mr Issack Behera
Municipal Commissioner
Cuttack Municipal Corporation

Mr Suresh Chandra Mantry
Municipal Commissioner,
Bhubaneswar Municipal Corporation

Secretary

Mr. Piyush Ranjan Rout

Treasurer

Mr Krupasindhu Mishra
Project Manager,
State Urban Development Agency

CMAO Secretariat

Mr Piyush Ranjan Rout
Coordinator

International Days

17 May World Telecommunication Day

21 May World Day for Cultural Development

31 May World Tobacco Day

5 June World Environment Day

11 July World Population Day

**The CMAO wishes all
Members and friends
A VERY HAPPY AND
PROSPEROUS
ORIYA NEW YEAR!**

CMAO – Reg no 21523 / 100 of 2002-03, Dt 25.01.2003