**Autonomous and accountable local government**

Swarna Bharat Party’s policies on local government and panchayats

*These policies should be seen in the context of the broader reform agenda outlined in* [*SBP’s manifesto*](http://swarnabharat.in/)*. Free markets require strong and effective governance. Without governance reforms detailed in the manifesto, that will build capacity and honesty in the government machine, the policies detailed below will not deliver the expected results.*

**Professional local government institutions: *Poorna Swaraj***

*Poorna Swaraj* involves democratic responsiveness and accountability. But this can only be achieved through a professionally competent support system. Excluding any private cities which will be managed by private entities (as discussed later), we will transform and modernise local government (parishads, including municipalities) institutions through a new *Local Government Act*. This will involve a number of reforms, such as those outlined below.

### CEOs and staff fully accountable

Local government staff will be made fully accountable to elected councillors through a CEO hired by the council (not state government) on a contract at market-based salaries. As with the governance reforms outlined earlier, council CEOs will be empowered to hire and fire council staff, to ensure accountability of outcomes to the elected body.

### Manageable size

In parallel, States will be funded to restructure local councils into a manageable size (currently most municipalities/ authorities are too large). The ratio of elected local representatives to citizens would be brought in line with international best practice. For instance, Delhi will get around 300 elected councillors (including mayors or pradhans) in around 60 independent councils (unaccountable authorities like the Delhi Development Authority etc. would thereafter be abolished).

### Transfer of some state level functions

Some state level functions such as the food inspectorate (and a partial role in urban planning), will be transferred to the councils, being required to undertake risk-based approaches. These changes would lead to fewer but far more competent and locally responsive inspectors.

### Local taxation powers

Local governments will be responsible for ensuring world-class civic amenities (sanitation, drainage, local roads and parks) and managing local libraries and community halls. Councils will be empowered to set rates based on market-valuation of properties, and set user-charges for any services provided. A level of specific purpose grants will also be provided for specific projects on a per capita basis, such as to support council professionalisation and local infrastructure.

We will ensure that councils are held legally liable for any public safety failures, such as any open drains or large potholes that endanger the health and safety of people. They will be liable to be sued for any civil and criminal negligence.

Councils will independently determine the level of amenities they provide. Thus, councils that want to attract wealthier residents will focus on better infrastructure while charging higher rates. This will allow citizens to vote with their feet and move to the better managed councils.

### Efficiency of council management

Costs will be kept down due to competition between councils. However, we will require a price regulator, in addition, to benchmark and evaluate council costs; and if necessary, to advice on the reasonableness of any increase in rates. Councils will be encouraged to adopt world-best procurement practices and, on the model of Singapore, encouraged to privatise as many of their functions as practicable. Through this process, world-class services at low cost will become the norm in India’s cities.

### Role of panchayats

The village level panchayat system will be the eyes and ears of parishads (councils), and also act as a decision making body for minor matters (including some minor civil and criminal justice issues, subject to appropriate constraints in the use of this power). We will link panchayats with Local Boards, so there is direct monitoring of the work of government agencies at the grassroots level.

Panchayats will have powers to raise local rates for purely village level infrastructure (e.g. very small internal village roads and public toilets). Raj Samadhiya village in Gujarat is perhaps India’s cleanest village. Nobody throws any paper on road or dirties common lands or water. That is because incentives work. It follows a draconian (almost Singaporean) law that those who litter are fined Rs.1000. We will empower and encourage such forms of local self-management.[[1]](#footnote-1)

## [Example] A sparkling clean and shining India

The Modi Government has introduced a Swachh Bharat campaign to clean India. Unfortunately, it is not premised on, nor involves, any system reforms. That’s a guarantee for its failure. To clean India the following reforms, detailed elsewhere in this document, will be needed:

**Step 1: Basic reforms of the system**

As mentioned elsewhere, key reforms needed, include (but are not limited to):

* *electoral system reform* to ensure honest politicians at all levels. If not, they’ll make money from every project and every opportunity;
* *bureaucratic system reform* to ensure we get a competent and accountable bureaucracy. Bureaucrats at all levels will have no tenure, and their contracts will ensure performance; and
* *local government reform* to allow elected councillors to hire and fire their own CEO, with capacity to raise rates to fund their work.

These basic reforms are essential to even start a meaningful Clean India movement. Without systemic reforms all such efforts will fail, as they have for the past 67 years.

**Step 2: Ensure that cleanliness is a Key Performance Indicator (KPI) in the contracts of municipality CEOs**

Once corruption is eliminated and a modicum of efficiency prevails, cleanliness in public spaces can be inserted into the contracts of CEOs. They will themselves work out innovative ways to achieve these KPIs, or risk being sacked.

**Step 3: Local governments to establish a constructive compliance strategy**

One of the innovative strategies that the CEOs might consider could involve constructive compliance:

* ensuring waste bins are installed at strategic places and are regularly cleared;
* ensuring well-equipped (e.g. with cameras) compliance officials who impose on-the-spot fines on those found littering the city (such fines often exist in statute books but are not enforced). An example of the use of fines is the previously mentioned Raj Samadhiya village in Gujarat;
* ensuring professional cleaning services (for streets, etc.) procured through open tender, with successful bidders held to account through stiff penalties for failure to deliver;
* establishing incentives for private investment in recycling factories to automatically sort out the rubbish and recycle it, as appropriate, before it goes to landfill; and
* ensuring international standards are met regarding the kind of waste that enters landfill (to avoid polluting underground water).

This is an outline. It illustrates that with system reform, India will become a beautiful nation, again. Indeed, beautifying India can become one of the largest jobs-generating programmes in our history.

### An end to open defecation

India is the global capital for open defecation. This leads to the spread of disease and is also linked with sexual assault on women. Changing it requires significant awareness building through civil society initiatives. Each gram panchayat will be expected to enforce a ban on public defecation, in a manner similar to a ban on littering. Local governments (e.g. panchayats) could give land on long lease to privately owned and managed public toilets.

Our government will not, however, build or subsidise toilets in people’s homes. Unless people pay for installation of toilets in their own homes, they are unlikely to use them.

1. <http://www.divyabhaskar.co.in/news/100126040310_story_on_raj_samadhiya_village.html> and <http://www.sristi.org/hbnew/editorial_pdf/24-4-editorial.pdf>. [↑](#footnote-ref-1)