



Quick Revision Module (UPSC Prelims 2024) Polity

# Local Self Government

**Concept of Local self-government :**



Local Government is the government at the **district level and below.**



It is the government **closest to common people.**



It is based on the assumption that local knowledge and local interest are essential components for people.



To achieve efficient administration, local people can very well interact with local government, raise their concerns and achieve the solutions by themselves being part of the decision-making process.

# Historical perspective

## Ancient



- **Gramini** - An important village functionary in the Vedic period.
- **Sabha** - Assembly for discussing agricultural matters.
- **Samiti** - Assembly with judicial powers.

## Medieval



- Marked with centralization of leadership and **decline in local governance**.
- However, the hands of the administration reached only to the district level.
- The village communities continued to exist.

## British



- **Regulation of 1816** conferred judicial authority to the village panchayats in a few provinces.
- The **Mayo's resolution, 1870** gave impetus to the development of local institutions by enlarging their powers and responsibilities.
- **Bengal Village Chowkidari Act, 1870** empowered the District Magistrate to constitute a panchayat in any village.
- **The Resolution on Local Self Government (Lord Ripon's Resolution) 1882** intended to build local self-government institutions on the foundations of the local self-government system of ancient India.
- **Morley Minto Reforms, 1909** incorporated the recommendations of **Royal Commission on Decentralization (1907)** which led to the enlargement of the election process in the Local Self Government structure in India.
- **Montagu Chelmsford reforms of 1919** introduced a **dyarchy system** where responsibility of the local government was given to ministers.

# Panchayati Raj : A Timeline

1882

Local Self Government  
(Resolution of 1882).

1919

Montagu-Chelmsford Reforms.

1938

The Aundh Experiment.

1940

Article 40 (Constitution of India).

1957

Balwant Rai Mehta Committee Rajasthan Become First State to  
Adopt Panchayati Raj.

1985

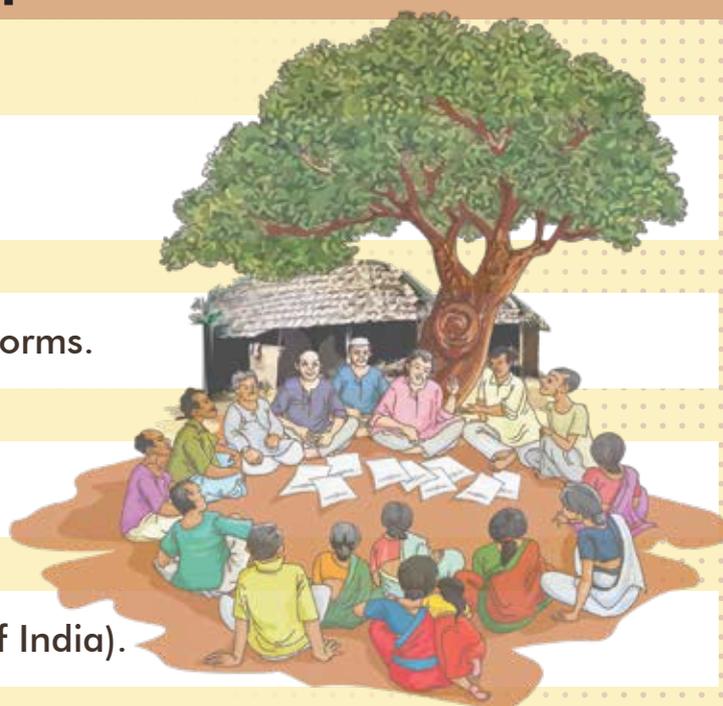
G.V.K. Rao Committee.

1986

L.M. Singhvi Committee.

1992

73rd & 74th Constitutional Amendment.



# Evolution of PRIs after Independence

Major sources/ Committees	Provisions
Constitution of India	<ul style="list-style-type: none"> <li>● Article 40.</li> <li>● Local government is a state subject.</li> <li>● Given constitutional status through 73rd and 74th amendment act.</li> </ul>
Balwant Rai Mehta Committee	<ul style="list-style-type: none"> <li>● To examine the workings of the National Extension Service and Community Development Program.</li> <li>● The Committee recommended a scheme for "democratic decentralisation", as well as a three-tier system with directly elected members at the village level.</li> <li>● <b>Rajasthan</b> became the first state to adopt the system.</li> </ul>
Ashok Mehta Committee	<ul style="list-style-type: none"> <li>● 3 tier PRI should be replaced with a 2 tier PRI with Zila Parishad at the district level and Mandal panchayat below it.</li> <li>● Committee also recommended for <b>Nyaya panchayat</b>.</li> </ul>
G V K Rao Committee	<ul style="list-style-type: none"> <li>● The committee recommended reducing the developmental role of the district collector and giving a major role to PRI.</li> <li>● A post of district development commissioner should be created.</li> </ul>
L.M Singhvi Committee	<ul style="list-style-type: none"> <li>● Appointed to recommend on the revitalization of PRI for democracy and development.</li> <li>● It suggested that <b>constitutional status</b> must be given to PRI.</li> <li>● Thus 73rd and 74th Constitutional amendment act was passed by Parliament in 1992 and got assent on 20th April 1993.</li> </ul>

# Role of PRIs in democracy



## Political consciousness

It enabled a large number of people to acquire leadership at local levels.



## Women empowerment

Not less than one-third of seats are reserved for the women candidates.



## Strengthening democratic Institution and process

The experience gained by the new generation of leadership in democratic management has raised the quality of legislative debates and working of other higher level institutions.



## Planning and development

The PRIs have been designed to play a crucial role in planning and development. A number of studies indicate that as units of planning and development, be it at the district or lower level, the Panchayati Raj institutions have contributed substantially.



## Giving voice to local demands

PRIs have become the connecting link between the Parliament and State Legislature on the one hand and local bodies on the other so that the respective members can exchange views on the objectives of a plan and its priorities.



## Executive Institution

Certain civic functions such as rural sanitation, public health, street lighting, drinking water supply, maintenance of village roads, culverts, management of primary and secondary education, etc., have been carried out by the Panchayati Raj bodies.



## Breaking hierarchies

Panchayati Raj has become a powerful tool where caste and local interests interact, clash, compromise and arrive at common understanding on various issues.

# 73rd Constitutional amendment - An Overview

## Compulsory Provision

- Organization of Gram Sabhas.
- Creation of a three-tier panchayat system.
- Direct elections.
- The minimum age for contesting would be 21 years.
- Indirection elections to post of chairman.
- Reservation of seats for SC/STs in proportion to population.
- Reservation for the women.
- Creation of SECs (State election committee).
- Creation of SFCs (State finance committee).

## Voluntary Provisions

- Voting rights to MPs and MLAs in these bodies.
- Reservation for backward classes.
- Giving the PRIs financial powers.
- Devolution of functions under **XIth schedule**.

# 73rd Constitutional Amendment Act of 1992

## Changes brought in the Constitution



- 73rd Amendment Act, 1992 inserted **Part IX** in the Constitution of India and accorded Panchayats a Constitutional status as institutions of local self-governance for rural India.
- It also added **Eleventh Schedule** to the constitution that contains **29 functional** items for Panchayats.

## Major Features



- A 3-tier system of Panchayati Raj for all States having population of over 20 lakh.
- The Panchayats have been established in each state through acts of the respective states.
- Panchayat elections regularly every 5 years.
- Reservation of seats for Scheduled Castes, Scheduled Tribes and women (not less than one-third of seats).
- The seats are to be reserved for SCs and STs in proportion to their population at each level. Out of the Reserved Seats, 1/3rd have to be reserved for the women of the SC and ST. Out of the total number of seats to be filled by the direct elections, 1/3rd have to be reserved for women.
- Appointment of State Finance Commission to make recommendations as regards the financial powers of the Panchayats.

## Administrative Structure of the PRIs



- All States now have a uniform three tier Panchayati Raj structure. At the base is the 'Gram Panchayat'. A Gram Panchayat covers a village or group of villages.
- The intermediary level is the Mandal (also referred to as Block or Taluka). These bodies are called Mandal or Taluka Panchayats. The intermediary level body need not be constituted in smaller States.
- At the apex is the Zilla Panchayat covering the entire rural area of the District.
- The amendment also made a provision for the mandatory creation of the Gram Sabha. The Gram Sabha would comprise all the adult members registered as voters in the Panchayat area. Its role and functions are decided by State legislation.

## Elections to the PRIs



- All the three levels of Panchayati Raj institutions are **elected directly by the people**.
- The term of each Panchayat body is **five years**.
- If the State government dissolves the Panchayat before the end of its five year term, fresh elections must be held **within six months** of such dissolution.
- A panchayat constituted upon the dissolution of a panchayat before the expiration of its duration shall continue only for the remainder of the period for which the dissolved panchayat would have continued had it not been so dissolved.
- Also no person shall be disqualified on the ground that he is less than 25 years of age if he has attained the age of **21 years**.

## Financial Powers of the PRIs



- **Article 243-G:** Power of PRIs to prepare plans for economic development and social justice.
- **Article 243-H:** State legislature can enact laws for the following:
  - To authorise a Panchayat to levy, collect and appropriate some taxes, duties, tolls and fees.
  - To assign to the Panchayat, some taxes, duties, tolls levied and collected by the State Government.
  - To provide for making grants-in-aid to the Panchayats from the Consolidated Fund of the State.
  - To provide for the constitution of such funds for Panchayats for crediting all money received by or on behalf of Panchayats and also the withdrawal of such money therefrom.

## State Election Commission (Article 243K)



- The superintendence, direction and control of the preparation of electoral rolls and the conduct of all elections to the panchayats is vested in the **State Election Commission** appointed by the governor.

## State Finance Commission (Article 243I)



- SFC to be appointed by the state govt once in five years.
- To examine the financial position of the local governments in the State.
- To also review the distribution of revenues between the State and local governments on the one hand and between rural and urban local governments on the other.

## Challenges with respect to PRIs

- There is only minimum administrative and fiscal decentralisation, which remain under the control of the State Governments.
- Panchayats have not given adequate responsibilities to levy and collect taxes, fees, duties or tolls. Panchayats should have been granted appropriate powers to generate their own resources.
- Recommendations of State Finance Commissions have been either accepted partially or implemented half-heartedly.
- Powers given to the State Election Commissions vary from State to State.
- Gram Sabhas have not been empowered and strengthened to ensure people's participation and transparency in functioning of Panchayats as envisaged.
- The Constitution does not stipulate any size for Panchayats, either in terms of population or in area
- In most States, Panchayats do not have the power to recruit their staff and determine their salaries, allowances and other conditions of service.
- Due to the lack of financial resources, the power to recruit staff, even if such power exists remains grossly underutilized or not utilised at all.
- Under various State Panchayati Raj Acts, the respective State Government or their nominated functionaries command considerable power with regard to review and revision of actions taken by PRIs.

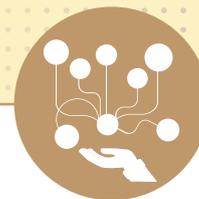
## 2nd ARC recommendation for rural governance



- Gram Panchayats should be of an appropriate size.
- Panchayats should have power to recruit personnel and to regulate their service conditions.
- The provisions in some State Acts regarding approval of the budget of a Panchayat by the higher tier or any other State authority should be abolished.
- State Governments should not have the power to suspend or rescind any resolution passed by the PRIs or take action against the elected representatives.
- States must undertake comprehensive activity mapping with regard to all the matters mentioned in the Eleventh Schedule.
- A comprehensive exercise needs to be taken up regarding broadening and deepening of the revenue base of local governments.

## Panchayats (Extension to Scheduled Areas) Act 1996

### Context:



- The provisions of the 73rd amendment were not made applicable to the areas inhabited by the Adivasi populations in many States of India.
- In 1996, a separate act was passed extending the provisions of the Panchayat system to these areas.
- Many Adivasi communities have their traditional customs of managing common resources such as forests and small water reservoirs, etc.
- Therefore, the new act protects the rights of these communities to manage their resources in ways acceptable to them.

### Objectives:



- The act extends **Part IX** of the Constitution with certain modifications and exceptions, to the Fifth Schedule Areas notified under **article 244(1)** of the Constitution.
- The Fifth Schedule of the Constitution deals with the administration and control of Scheduled Areas as well as of Scheduled Tribes residing in any State other than the States of Assam, Meghalaya, Tripura and Mizoram.
- At present, Fifth Schedule Areas exist in **10 States** viz. Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, Rajasthan and Telangana.

## Definition of Village and Gram Sabha under PESA Act



- A **village** shall ordinarily consist of a habitation or a group of habitations or a hamlet or a group of hamlets comprising a community and managing its affairs in accordance with traditions and customs.
- Every village shall have a **Gram Sabha** consisting of persons whose names are included in the electoral rolls for the Panchayat at the village level.

## PESA Empowers Gram Sabha/Panchayat at appropriate level with:



- Right to **mandatory consultation** in land acquisition, resettlement and rehabilitation of displaced persons.
- Panchayat at an appropriate level is entrusted with **planning and management** of minor water bodies.
- Mandatory recommendations by Gram Sabha or Panchayat at appropriate level for prospective licenses/lease for mines and concession for the exploitation of minor minerals.
- Regulate sale/consumption of intoxicants.
- **Ownership of minor forest produce.**
- Prevent land alienation and restore alienated land.
- Manage village markets.
- **Control over money lending to STs.**
- Control over institutions and functionaries in the social sector, **local plans including Tribal sub plans and resources.**

## Importance of PESA:

- It will enhance people's participation in decision making.
- PESA will **reduce alienation** in tribal areas as they will have better control over the utilisation of public resources.
- PESA will **reduce poverty** and **out-migration** among tribal populations as they will have control and management of natural resources and will improve their livelihoods and incomes.
- PESA will **minimise exploitation of tribal population** as they will be able to control and manage money lending, consumption and sale of liquor and also village markets.
- Effective implementation of **PESA will check illegal land alienation** and also restore unlawfully alienated tribal land.
- And most importantly PESA will **promote cultural heritage** through preservation of traditions, customs and cultural identity of tribal population.

# Forest Rights Act 2006 (Ministry of Tribal Affairs: nodal ministry)

## Objectives:



- To undo the historical injustice occurred to the forest dwelling communities.
- To ensure land tenure, livelihood and food security of the forest dwelling Scheduled Tribes and other traditional forest dwellers.
- To strengthen the conservation regime of the forests by including the responsibilities and authority on Forest Rights holders.
- To ensure sustainable use, conservation of biodiversity and maintenance of ecological balance.

## Rights granted under the Act



- Title right-> ownership to land farmed by tribals + forest dwellers up to **4 hectares** (as on 13 Dec 2005).
- Use right-> to minor forest produce, grazing areas, pastoralist routes, etc.
- Relief and development rights-> rehabilitation in case of eviction.
- Forest Management Rights-> to protect forests and wildlife.

## Eligibility under the Act



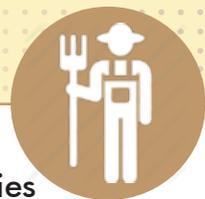
- Those who reside primarily in forests.
- Those who depend on forests for livelihood.
- Member of Scheduled Tribes in that area.
- Those residing in forest for more than 75 years.

## Role of Gram Sabha:



- **Gram Sabha to decide whose rights to which resources should be recognised.**
- This is done by Gram Sabha through a resolution.
- This resolution is then screened and approved at the higher levels (sub-division-> district)  
**Screening Committee: 3 govt officials + 3 elected members of local body at that level.**

## Significance of FRA



- For the first time Forest Rights Act recognises and secures:
  - **Community Rights** or rights over common property resources of the communities **in addition to their individual rights.**
  - Rights in and over disputed land.
  - Rights of settlement and conversion of all forest villages, old habitation, un-surveyed villages and other villages in forests into revenue villages.
  - Right to protect, regenerate or conserve or manage any community forest resource which the communities have been traditionally protecting and conserving for sustainable use.
  - Right to intellectual property and traditional knowledge related to biodiversity and cultural diversity.
  - Rights of displaced communities.
  - Rights over developmental activities.

## Urban Local Bodies (ULBs)

### ● Historical Background

- The era of Urban Local Governance in India started with the formation of **Madras Municipal Corporation in 1687.**
- Later similar corporations were formed in **Calcutta** and Bombay Municipal Corporation in 1726.
- In **1882, Lord Ripon** – the Viceroy of India - passed a resolution of local self-government which laid the democratic forms of municipal governance in India.
- Indian Independence ushered a new era of local governance in India.
- The Constitution of India allotted the local self-government to the state list of functions.
- In 1953, the U.P. Government took a decision to set-up Municipal Corporations in five big cities of Kanpur, Agra, Varanasi, Allahabad and Lucknow, popularly known as **KAVAL Towns.**
- In 1985, the Central Government appointed the **National Commission on Urbanization**, which gave its report in 1988.
- Finally, it was the Constitution (**74th Amendment**) Act, 1992 that gave constitutional status to the **Urban Local governance bodies.**



# Key Features of 74th CAA 1992

## Levels of Municipal bodies

- 3 levels.
- A 'Nagar Panchayat (town council)' for transitional areas.
- A 'Municipal Council' for a smaller urban area.
- A 'Municipal Corporation' for a larger urban area.

## Term

- 5 years.

## Election

- An independent State Election Commission for the conduct, superintendence and control of municipal elections.

## Reservations:

- Seats be reserved for SCs and STs in proportion to their population in the municipal area.
- Mandatory provision of reserving one- third of every elected urban body for women representatives.
- Reservations were also provided for in the position of chairpersons of municipalities.

## Finance

- A State Finance Commission to review the financial position of the municipalities and make recommendations for the financial health of ULBs.

## Planning

- Via District Planning Committee and Metropolitan Planning Committee.

## District Planning Committee

- Under Article **243ZD**.
- Objective: to consolidate the developmental plans prepared by Panchayats and Municipalities following within the district and then prepare a single draft development plan for the district as a whole.
- Note: DPCs are **not** constituted in **5th Scheduled area, and 6th Scheduled areas**.
- State Legislature makes provisions regarding the composition and the manner of filling the seats of such committees.
- **A minimum of 4/5th of all the members of DPC shall be elected** by and from amongst the elected members of Panchayat at the district level and the Municipalities falling within the district.

# Metropolitan Planning Committee

- Under Article **243ZE**.
- Objective: To prepare a draft development plan for the metropolitan area as a whole in metropolitan area.
- Note: A Metropolitan area is an area having a **population of 10 lakhs or more** comprised in one or more municipalities and Panchayats as specified by the Governor.
- State Legislature makes provisions regarding the composition and the manner of filling the seats of such committees.
- **A minimum 2/3rd of the members of the MPC shall be elected** by and from amongst the elected members of municipalities and **the chairpersons** of Panchayats falling within the metropolitan area.

## Types of Urban Govt

### Municipal Corporation



- A municipal corporation is a form of urban local government seen in bigger urban areas.
- Has 3 authorities: The Council, The Standing Committee and The Commissioner.
- Council: deliberative body, headed by a Mayor.
- Standing committee: created to facilitate the work of council.
- Municipal commissioner: for implementation, generally an IAS officer.

### Municipality/Municipal Council



- Municipal Council found as a form of urban local government in smaller urban areas.
- The structure is the same as that of a corporation.
- Municipal Council has lesser financial and administrative authority compared to Municipal corporation.

### Notified Area Committee



- For administration of fast developing town.
- Established by a notification of state govt.
- Entirely nominated.

### Town Area Committee



- For administration of small town..
- Entrusted with a limited no. of civic functions.

## Cantonment Board

- For administration of civilian population in cantonment area.
- Under Ministry of Defence.
- Statutory body, created through Cantonments Act 2006.



## Township

- Established by large public sector enterprises to provide civic amenities to its staff.
- Headed by Town administrator: appointed by the public enterprise.



## Port Trust

- Established in port areas.
- Created by an act of Parliament.
- Consists of both elected + nominated members.



## Special Purpose Agency

- They are function based, not area based.
- Established by Act of state govt.
- They are autonomous bodies and deal with functions allotted to them independently of urban local govts.



## Impact of the act on the Urban governance

1. Recognition of ULBs as the third tier of governance.
2. Wider political representation.
3. Gender Empowerment.
4. Independent Municipal Elections.
5. Introduction of ward committees.
6. Reformation of Municipal Finances.

## Challenges related to ULBs

1. Use of discretionary power by states.
2. Lack of devolution of power.
3. The recommendations of the SFCs have largely been ignored.
4. The act is silent on the status of the Mayor.
5. GST has made the financial position of ULBs even more precarious. On the one hand, GST is silent on the financial share of ULBs; on the other, it has subsumed many of the local taxes.



1. The functions of municipal council and exercising executive should be combined in the same functionary i.e. Chairperson or Mayor.
2. The capacity of the municipalities to handle legal and financial requirements of responsible borrowing must be enhanced.
3. Land banks should be leveraged for generating resources for the municipalities
4. Citizens' charters in all Urban Local Bodies.
5. Municipal governments should have full autonomy over the functions/ activities devolved to them.
6. The manner of determination of tax should be made totally transparent and objective.

