



# A Study on



## Trends and Status of Municipal Finances and Services in the ULBs of Haryana:

Road Map of Sustainable and Efficient delivery of services



**Sponsored by**  
**Sixth State Finance Commission of Haryana**  
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**Haryana Institute of Public Administration**  
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**ABBREVIATION**

DULB - Department of Urban Local Body

GDP - Gross Domestic Product

GSDP - Gross State Domestic Product

HBH - Housing Board Haryana

HIPA - Haryana Institute of Public Administration

HSVP - Haryana Shehri Vikas Pradhikaran

ORS - Own Revenue Share

PHED - Public health Engineering Department

PWD - Public Works Department

SFC - State Finance Commission

SRC - Self-reliance Capacity

ULB - Urban Local Body

VCF - Value Capture Financing

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# 1 HARYANA'S URBAN LANDSCAPE -INTRODUCTION

## 1.1 CONTEXT

Haryana's rapidly changing urban landscapes has bestowed the state with potential for greater socio-economic development, provided it is reinforced with decentralized democratic governance that underlines the principle of equity and sustainability. With the state manoeuvring around 34.88% (Census 2011) of urbanization, well above the national average of 31.16%.

Table 1 Proportion of Urban Population by Districts, 2011

District	Urban population as % to total population (%)
Faridabad	79.51
Gurgaon	68.82
Panchkula	55.81
Panipat	46.05
Ambala	44.38
Rohtak	42.04
Yamuna Nagar	38.94
Hisar	31.74
Sonapat	31.27
Karnal	30.21
Kurukshetra	28.95
Rewari	25.93
Jhajjar	25.39
Sirsa	24.65
Jind	22.90
Palwal	22.69
Kaithal	21.97
Bhiwani	19.66
Fatehabad	19.06
Mahendraghar	14.41
Mewat	11.39

Source: Computed from, Census of India (2011), Primary Census Abstract, Haryana, Series 7, Tables - A5-A8.

The contrasting Spatio-Temporal variation (Figure 2) which exists in highly urbanizing Faridabad (79.51%), Gurugram (68.82%), Panchkula (55.81%) in comparison to least urbanized Mewat (11.39%), Mahendraghar (14.41%), Fatehabad (19.06%) reflects the need for governance solution which is contextualized and decentralized in nature. With responsibilities propelled by increasing urbanization generating considerable bearing on Municipalities' finances and services, an essential need is induced to channel ULB's resources in terms of Functions, Functionaries and Finances.

The study intends to gauge the status of urban local bodies based on their performance to identify the existing needs and address future demands based on sustainability.



## 1.2 PROFILE OF URBAN LOCAL BODIES IN HARYANA

The Urban Local Bodies of Haryana are classified into Municipal Corporations, Municipal Councils and Committees encompassing -

- **11 Municipal Corporations**
- **22 Municipal Councils**
- **60 Municipal Committees**

Governed by Haryana Municipal Corporation Act, 1994 and The Haryana Municipal Act, 1973 prominently. Organizationally the Department of Urban Local Body (DULB), headed by Hon'ble Minister, Urban local body and Additional Chief Secretary to the Government, acts as a nodal department for governing all the ULB's. It operates as an interface between the State Government and ULB's.

## 1.3 FUNCTIONAL PROFILE

The status of devolution concerning 18 subjects specified in the 12th Schedule is analyzed. It is observed that five functions are fully devolved, eight functions are partially devolved, and five remain state-dominated.

Fully devolved refers to complete delegation of autonomy with respect to corresponding activity where the local is given complete jurisdiction in terms of planning, implementation and O&M., whereas partially devolved reflects overlapping jurisdiction with state/parastatal organizations. While the pre-set of state-dominated refers to activities where ULB roles are limited to assisting parastatal bodies in implementation. With ambiguity in the perception of activities with the vision of state government being driven towards decentralization through effective devolution of functions, it is recommended to develop a Standard Operating Procedure (SOP) and a parametric-based activity mapping for better collation of functions, functionaries and finances during transfer. The classification of the overall status of devolution can be stated to be partial with functions and its devolution stage described below (Table 2).

Table 2 Status of Functional Devolution

Sl.no	Functions	Organizational remark	Status of Implementation	Municipal Corporation	Municipal Council	Municipal Committee
1	Regulation of land use and Construction of land buildings.	Department of town & country planning, HSVP and ULB's	State dominated			
2	Urban planning including the town planning.	Department of town & country planning, HSVP and ULB's	State dominated			

3	Planning for economic and social development	Social justice and welfare department, ULBs	State dominated			
4	Urban poverty alleviation	HBH	State dominated			
5	Water supply for domestic, industrial and commercial purposes	PHED & ULB's (Limited number)	Multiple agencies involved			
6	Fire services	ULB's	ULB			
7	Public health sanitation, conservancy and solid waste management	Health department, PHED, ULB's	Multiple agencies involved			
8	Slum improvement and up-gradation	HSVP, ULB's	Multiple agencies involved			
9	Safeguarding the interests of the weaker sections of society, including the physically handicapped and mentally unsound	Social justice and welfare department, ULBs	Multiple agencies involved			
10	Urban forestry, protection of environment and promotion of ecological aspects	Forest department, ULBs	Multiple agencies involved			
11	Construction of roads and bridges	PWD, NHAI, ULB's	Multiple agencies involved			
12	Provision of urban amenities and facilities such as parks, gardens and playgrounds	ULB's	ULB			

13	Promotion of cultural, educational and aesthetic aspects	Ministry of Education, Art & Cultural Affairs	State dominated			
14	Burials and burials grounds, cremation and cremation grounds and electric crematoriums	ULB's	ULB			
15	Cattle ponds, prevention of cruelty to animals	ULB's	ULB			
16	Regulation of slaughterhouses and tanneries	ULB's	ULB			
17	Public amenities including street lighting, parking spaces, bus stops and public conveniences	State transport department, ULB's	Multiple agencies involved			
18	Vital statistics including registration of births and deaths	Health department, ULB's	Multiple agencies involved			

Source: ULB's & DULB,2021.

## 1.4 FINANCIAL PROFILE

The figure below depicts municipalities' financial structure classified in terms of income and expenditure. The income is classified into own revenue, grants and shared tax. While expenditure is further classified into administration, establishment, operation & maintenance and miscellaneous. Variations in accounting format were commonly observed in annual account statements published across ULB's, attributing to the lack of a standard accounting format.

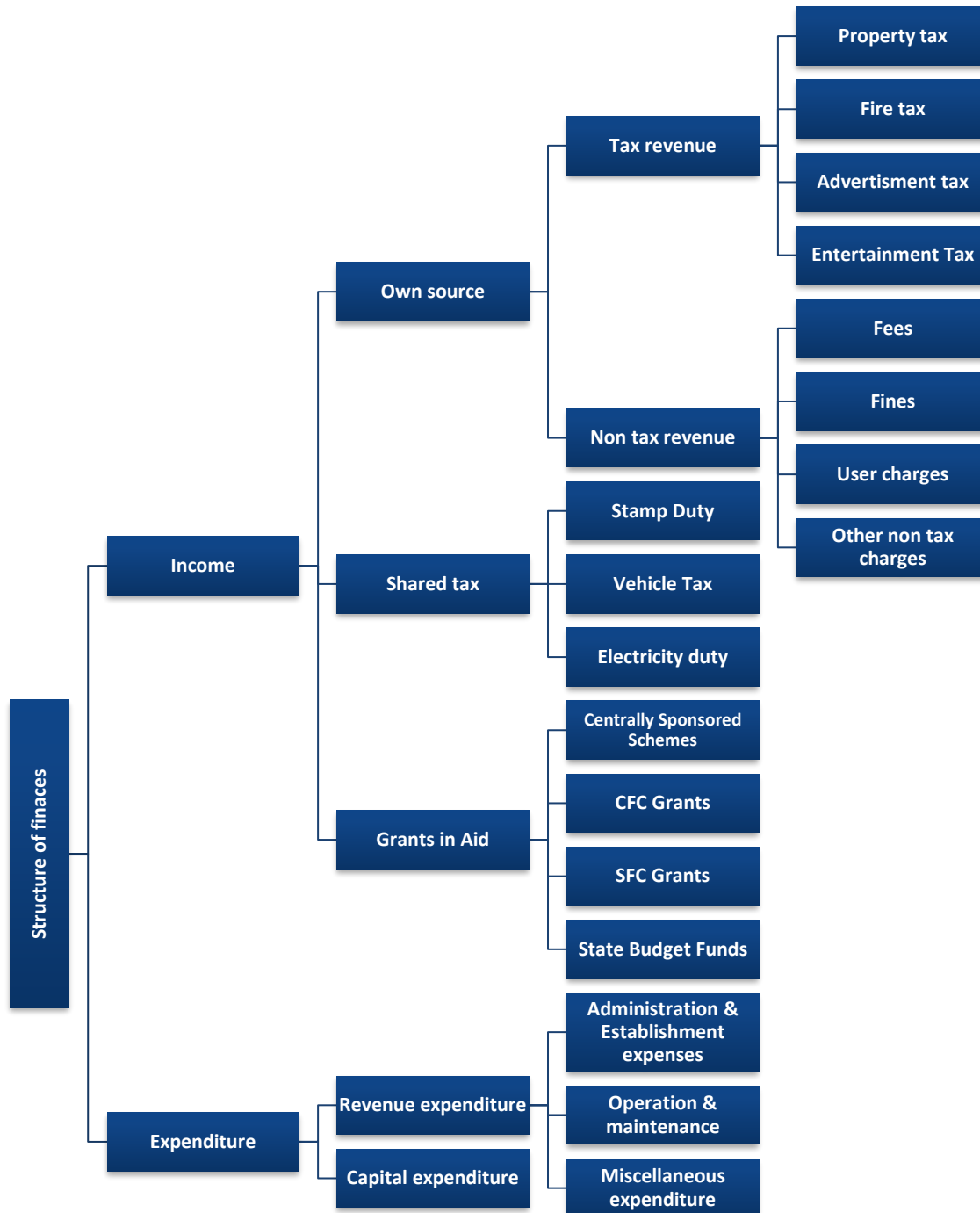


Figure 1 Structure of Municipal finances

The study captures the status and trends of municipal finances and services in Urban Local Bodies. While keeping in view of objectives (Described in the following section). It depicts the path towards developing methodology based on expected deliverables as suggested by the SFC.

## 1.5 OBJECTIVES

**The objectives of the study were taken up as follows as per terms of reference:**

- To study the nature and various dimensions of urban fiscal crisis, including urban trends and urban infrastructure crisis;
- To study the various reforms in the legal, administrative and governance structure in urban parts and their implications. The objective is also to suggest changes in roles and responsibilities at various levels and improve municipal functioning through suggesting better performance review systems;
- To assess the flow of funds from various sources and how they can be utilized among the various categories of ULBs. This shall be done through understanding reasons of fiscal stress and inadequate service delivery;
- To examine the municipal expenditures at the sectoral level on different functions and services to uncover their productivity. The views of urban residents are also be taken to study the efficacy of services and also their suggestions for better service delivery by improving municipal governance;
- To account for mismatch in budgetary outlays vs expenditure by observing outputs and outcome level indicators;
- To analyze outstanding liabilities of the ULBs and suggestions as to how to bridge the gap;
- To evaluate borrowing capacities and credit worthiness of ULBs, to access the capital market and borrowing from donor institutions;
- To study the capacity of ULBs in utilizing Value Capture Financing (VCF) tools and their ability to generate revenues and improve their finances. The overall scope to introduce new taxes can be evaluated in this regard;
- To suggest a performance-based system of grants and other transfers from state/central governments to improve performance of municipalities of the state to qualify for 15<sup>th</sup> FC grants;
- To analyze estimated financial requirements for augmentation and operations and maintenance(O&M) of municipal services for the next five years (6<sup>th</sup> SFC devolution period) based on municipal income trend analysis for past projections for 5-10 years. Also, suggest reforms in municipal financial management for better municipal functioning and identifying best practices in this area in order to apply in the context of ULBs; and
- To suggest a road map for sustainable and efficient delivery of services to make cities productive, liveable, safe and resilient to address the SDGs.

**The expected deliverables were as follows:**

- Economy-wide trends – whether the fiscal performance of municipalities is affected by the macroeconomic and regional trends as indicated by gross domestic product (GDP) and gross state domestic product (GSDP), and the level of urbanization;
- Identification of the mismatch between the assignment of functions and fiscal powers of municipalities;
- Efficiency in the use of fiscal powers – whether the fiscal performance is dependent on efficiency, using indicators such as the coverage of the tax base and tax collection ratios;
- Municipal capacity, determined by the ratio of supervisory and technical staff by general-purpose staff;
- Analysis of municipal fiscal performance whether it is influenced by the degree of local autonomy and is divided into following three categories;

Category I: 90%+

Category II: 70-90%

Category III: 50-70%

- Relation between fiscal performance/city size;
- Assessment of borrowing capacity of the ULBs of different sizes in the different ratios and suggest measures for improving their efficiencies;
- Reforms agenda to strengthening Municipal Corporations of the state for improving the quality of average urban resident of each ULB;
- The report addresses the study's objectives in detail by attempting empirical analysis tools and a well-defined research methodology.

## 2 METHODOLOGY

The assessment framework has been formulated in the Municipal Finances and Service delivery cohorts based on the parametric analysis method to achieve the objectives. Several parameters derived from primary and secondary data is used.

### 2.1.1 Municipal Finances

A combination of normative and standard approaches is used, wherein several fiscal parameters are identified to gauge the trends in municipal finances based on data received from DULB and ULB's encompassing the following parameters –

- 1. Own Revenue Share** -The total tax and non-tax revenue is compared with the total revenue generated, including grants based on which own revenue share is derived. A higher own revenue share reflects higher mobilization capacity.

Own Revenue Share							
Own revenue		Total Own revenue C=(A+B)	Total Receipts (D)	Own Revenue Share C/D	Own Revenue share (%)	Average Share Capacity	CAGR
Own Tax revenue (A)	Own Non tax revenue (B)						

- 2. Revenue Differential** - Refers to a parameter reflecting the ability of ULB's revenue income to cater to revenue expenditure. A higher revenue differential reflects a higher capacity to spend on revenue expenditure.

Revenue Differential				
Revenue income (A)	Revenue expenditure(B)	Revenue Balance (A-B)	Differential D=(C/A) *100	Differential to income (Average)

- 3. Self-Reliance Analysis** – The parameter reflects self-reliance by depicting the ability of a municipality to meet its revenue expenditure from its own revenue. Higher self-reliance depicts better ability.

Self-reliance analysis				
Tax Revenue (A)	Non-Tax revenue (B)	Own Revenue C=(A+B)	Revenue expenditure(D)	Self-reliance (%) (C/D) *100

4. **Dependency Ratio** – It reflects the dependency of municipality on non-own resources to meet the total expenditure consisting of both revenue and capital expenditure. Wherein lesser dependency reflects higher fiscal autonomy.

Dependency Ratio					
Tax Revenue (A)	Non-Tax revenue (B)	Own Revenue C=(A+B)	Total expenditure(D)	Dependency Ratio (%) (D-C/D) *100	Dependency Ratio (Average)

5. **Establishment Expenditure Share** – The share is derived by comparing establishment cost with total expenditure. It reflects the quality of expenditure spent in terms of salaries. The optimum share is deemed based on ULB's staffing pattern and ability to spend beyond establishment share.

Establishment expenditure share			
Establishment expenditure (A)	Total expenditure (B)	Establishment expenditure share (A/B)	Average

6. **Resource Structure Analysis**- The ratios of tax to non-tax proportion, property tax in total tax, Property tax: Total revenue reflects the revenue stream dependencies.

Tax-Non tax proportionality						
ULBs	Years	Tax revenue	Non-tax (B)	Tax to Non tax proportion (A/B)*100	Average	CAGR

Property tax: Total tax proportionality						
ULBs	Years	Property tax (A)	Total Tax revenue (B)	Property tax proportion (A/B) *100	Average	CAGR

Property tax share		
Property tax (A)	Total revenue (B)	Property tax proportion (A/B) *100

7. **Growth in (Property tax vis a vis GSDP)** – The parameter reflects the capacities of municipalities to capture the growth of the state, as also recommended by 15<sup>th</sup> CFC. The parameter is derived by comparing state average GSDP growth with property tax growth.

ULBs	Growth in Property tax	GSDP growth rate
------	------------------------	------------------



8. **Tax Collection Efficiency (Property tax)** – Efficiency of property tax collection is captured by comparing demanded property taxes based on assessment with actual property tax collected.

Property tax collection efficiency		
Property tax Demanded (A)	Property tax actual (B)	Property tax collection efficiency (B/A) *100

### 2.1.2 Data Structuring

The time-series data (2016-2021) of each parameter for different ULB's were calculated for every year. The extracted value of five years was later averaged to derive the structure of the value for analysis.

#### Illustration:

ULBs	Years	Tax revenue (A)	Non-tax (B)	Tax to Non tax proportion (A/B) *100	Average	CAGR
KALANAUR	2016-17	12.21	39.52	30.89	35.66	-8.45%
	2017-18	62.32	77.16	80.76		
	2018-19	23.38	70.03	33.38		
	2019-20	5.5	47.55	11.56		
	2020-21	16.23	74.79	21.70		

### 2.1.3 Limitations

Data discrepancies were observed at several stages of study where a single ULB has submitted different datasets through different formats, reflecting a need for centralized data management system for ULB's.

### 2.1.4 Service Delivery

The primary survey conducted for 19 selected sample ULBs across six administrative divisions of Haryana has a representative sample of nearly 400 respondents. Given the various components of Services, Governance and Grievance Redressal as derived from Municipal Performance Index and Sustainable Development Goals.

In order to create a perception index overall, the normalized values for each component under each parameter are taken to make the ratings of ordinal scales comparable.

A composite index capturing citizens' perceptions is created to rank the ULBs surveyed. As per the Municipal Perception Index methodology, a similar calculation method is adopted for calculating the Composite Perception Index for all parameters across divisions.

With three main parameters at hand, an equal weightage is assigned to each category, namely service delivery, governance and grievance redressal. Thus, each mean value of the parameters is multiplied by **(1/3)** to calculate the composite score as follows:

$$\text{COMPOSITE PERCEPTION INDEX SCORE} = (1/3) * \text{Average service Index} + (1/3) * \text{Average governance Index} + (1/3) * \text{Average grievance redressal Index}$$

## 2.2 SAMPLING

The following section describes the methodology adopted for Sampling and is broadly classified into-

- Selection of Urban local bodies
- Selection of Stakeholders - comprising sampling criteria used for primary survey covering ULB officials, Elected Representatives, and Citizens.

### 2.2.1 Criteria for selecting Sample ULBs

A sample of 19 ULB has been drawn from the total 93 ULB's using the multi-parameter clustering technique. The selected parameters for determining sample ULB's encompasses:

1. Projected Population of 2021 (Arithmetic progression)
2. Revised budget estimates of 2020-2021
3. Swachh Survekshan Score 2020 (It is used as a proxy indicator for services provided, namely cleanliness and garbage collection, only these services were chosen because, as found by 5<sup>th</sup> SFC each ULB in Haryana provides different services, but cleanliness and garbage collection are common to all, so we have taken SS score as a proxy indicator applicable to all ULBs)

The steps followed are as follows:

- To calculate the average of each feature (column) for each division in the table (dataset). This represents the mean feature representation of that division.
- To calculate the Euclidian distance between each entry (Municipal Corporations, Councils and Committees) with the above mean feature calculated for each division.
- The entry with minimum distance is selected as that represents the mean feature representation of that division as it lies closest to that value.

The extracted sample consists of 6 Municipal Corporations, 6 Municipal Councils, 6 Municipal Committees - 1 from each Administrative Division, along with the Municipal Corporation of Panchkula. The following ULBs has been selected in consultation with the Directorate of Urban Local Bodies, Government of Haryana:

Division	District	MunicipalCorporation	MunicipalCouncil	MunicipalCommittee	ULBName	ULBCategory	Population2011	ProjectedPopulation2021	RevisedEstimates20202021	SS2020Score
Ambala	Ambala	Ambala			Ambala	Corporation	195153	331994	172218633	3095.96
Faridabad	Faridabad	Faridabad			Faridabad	Corporation	1414050	1685052	975502442	2646.69
Gurugram	Gurugram	Gurugram			Gurugram	Corporation	886519	1056249	651383283	3733.97
Hisar	Hisar	Hisar			Hisar	Corporation	307024	356384	272954252	3311.82
Karnal	Karnal	Karnal			Karnal	Corporation	302140	348146	234342033	4655.07
Rohtak	Rohtak	Rohtak			Rohtak	Corporation	374292	431512	287321047	4180.55
Ambala	Kurukshetra		Thanesar		Thanesar	Council	155152	182817	93078177	2322.24
Faridabad	Palwal		Palwal		Palwal	Council	131926	152739	70775201	1310.27
Gurugram	Mahendragarh		Narnaul		Narnaul	Council	74581	84705	44216190	1828.12
Hisar	Hisar		Hansi		Hansi	Council	86770	97382	48431768	2412.14
Karnal	Kaithal		Kaithal		Kaithal	Council	144915	166920	93455611	2437.54
Rohtak	Sonipat		Gohana		Gohana	Council	65708	76634	38617829	2666.05
Ambala	Kurukshetra			Ladwa	Ladwa	Committee	28887	33013	17780647	2656.06
Faridabad	Nuh			Taoru	Taoru	Committee	22599	27828	15373428	2198.92
Gurugram	Gurugram			Pataudi	Pataudi	Committee	20418	23653	13089462	2372.7
Hisar	Sirsa			Rania	Rania	Committee	25123	29285	17663429	2056.53
Karnal	Kaithal			Pundri	Pundri	Committee	33484	38649	18611864	2642.95
Rohtak	Rohtak			Kalanaur	Kalanaur	Committee	23319	26965	13580942	2903.65

Figure 2 Sampling Methodology adopted to select ULB's

Source: Census, swachhsurvekshan2020.org, DULB.

The selected sample size of ULB's reflect 19 ULB's of 93 ULB's in Haryana, which represents 53.90% of the Urban population of Haryana.

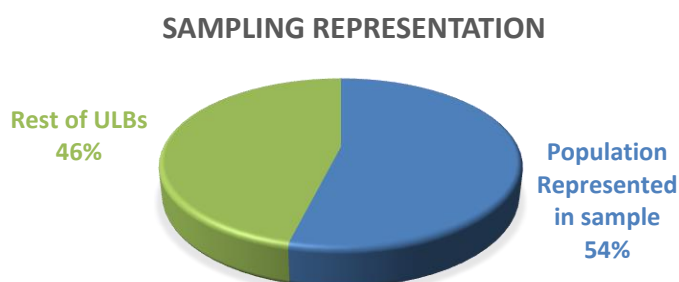


Figure 3 Percentage of Urban population represented by sample size

Sample size population	Total Urban population	Representing population
5614814	10416734	53.90%

## 2.2.2 Sampling Stakeholder

The stakeholders encompassing ULB officials, elected representatives and citizens to capture the perception data through primary surveys, wherein the below section describes the method adopted for sample size selection.

### 2.2.2.1 Selection of ULB Officials

A purposive sampling according to the various components was assessed in the primary survey. Depending on which ULB, the following indicates approximately the total officials interviewed.

Department/Function	Name of Post	The total number to be interviewed
Head of Departments	• Municipal Commissioner/District Municipal Commissioner	1
	• Additional Commissioner	1
Engineering/Technical	• Municipal Engineer/ Executive Engineer	1
	• Junior Engineer	1
	• Building Inspector	1
Urban Planning and Architecture (only applicable to Corporations)	Chief Town Planner/ District Town Planner	1
Medical	Chief Sanitary Inspector/ Sanitary Inspector	1

Accounts, Tax, Revenue and Legal	<ul style="list-style-type: none"> <li>• Chief Accounts Officer/ Accountant</li> <li>• Zonal Tax Officer/ Tax Superintendent</li> </ul>	1  1
Administrative	Executive officer/ Secretary	1
<b>Total</b>		<b>10</b>

### 2.2.2.2 Selection of Elected Representatives

A purposive sampling was used since different components of the questionnaire were answered by different positions of elected representatives

Post	Number to be interviewed
Mayor/ President	1
Deputy Mayor/ Vice President	1
Ward Councilors	5
<b>Total</b>	<b>7</b>

### 2.2.2.3 Selection of Citizens

The representative sample size is calculated from the total urban population of Haryana as per the 2011 census. The calculations are as follows:

**N:** Population of urban Haryana (2011 census) = 88,00,000 (approx.)

e= margin of error= 0.05

Sample size=  $N/1+ Ne^2 = 8800000/1+8800000(0.05^2)$

=  $8800000/1+22,000$

= 400 (approx.)

Approximately 400 citizens are chosen from the entire 19 ULBs from the 15-58 age groups with a 50% division of females and 50% males.

### 3 MUNICIPAL FINANCES

The analysis comprehends the status of ULB's through capturing the profile of municipal finances and service delivery using various parameters as described below.

#### Profile of Municipal Finances

With the responsibilities of local bodies expanding propelled by the increasing urbanization, the fiscal stress is set to propel the momentum of economic sustainability, driving a need for a critical reappraisal of municipal finances. The study attempts to gauge the fiscal trends in Haryana's ULB's based on a normative and standard approach.

#### 3.1.1 Own Revenue Share (ORS)

The following analysis evaluates the own revenue share of ULB's by comparing Own revenue resources to the total Revenue resources, which is often reflected to be a prominent factor of Fiscal autonomy. A higher mobilization capacity depicts the potential for financial independence in decision making.

In the analyzed sample, Gurugram performs well in its own revenue share (Average), attributing to its broader revenue base encompassing tax revenue sources of property tax, advertisement tax and vehicle tax. A greater potential exists through Non-tax resources. At the same time, Ambala stands out to perform well, in its case where its own revenue is propelled by the non-tax revenue such as rents and has a better scope of expansion in tax revenue. A critical challenge emerges out in the context of municipal committees and councils where mobilization capacity remains a concern reflecting revenue stream diversification and improved tax collection efficiency as a need of the hour. A positive increase in the own revenue is noted (Figure 7) among Faridabad, Ambala, and Pundri from 2016 to 2021.

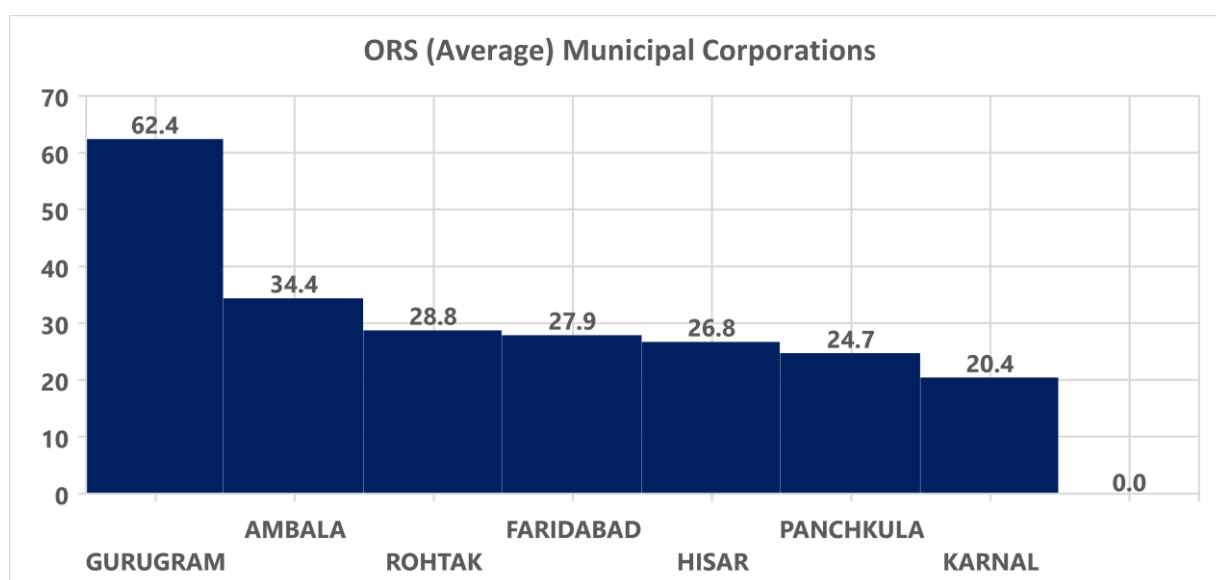


Figure 4 Own Revenue Share average of Municipal Corporations

Source: DULB, 2021. Timeline of data (2016-2021)

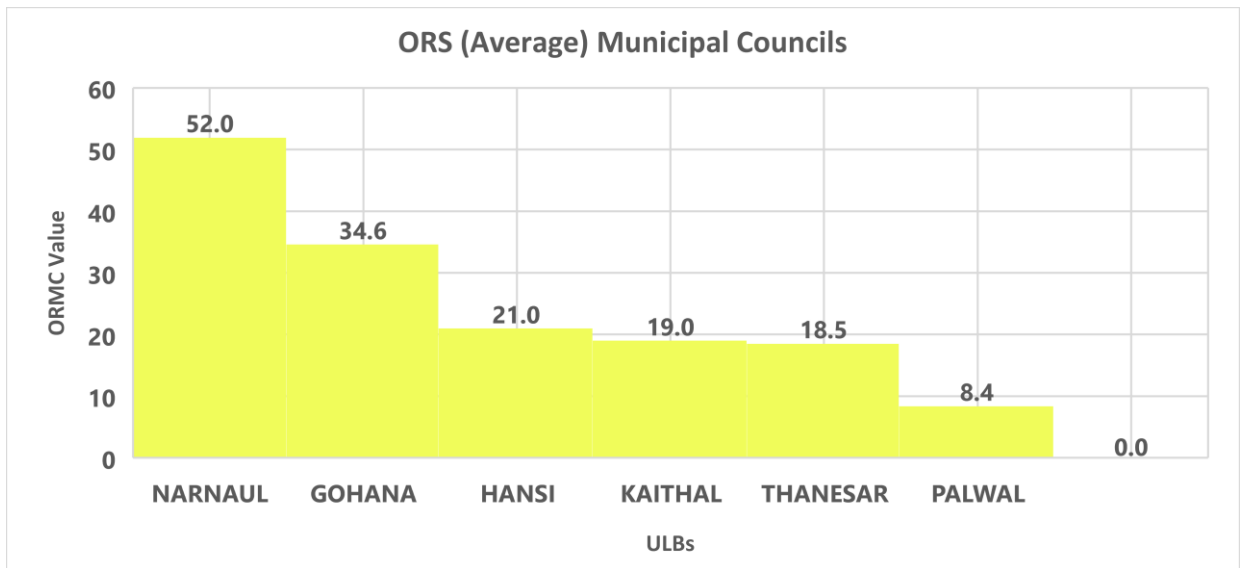


Figure 5 Own Revenue Share average of Municipal Councils

Source: DULB, 2021.Timeline of data (2016-2021)

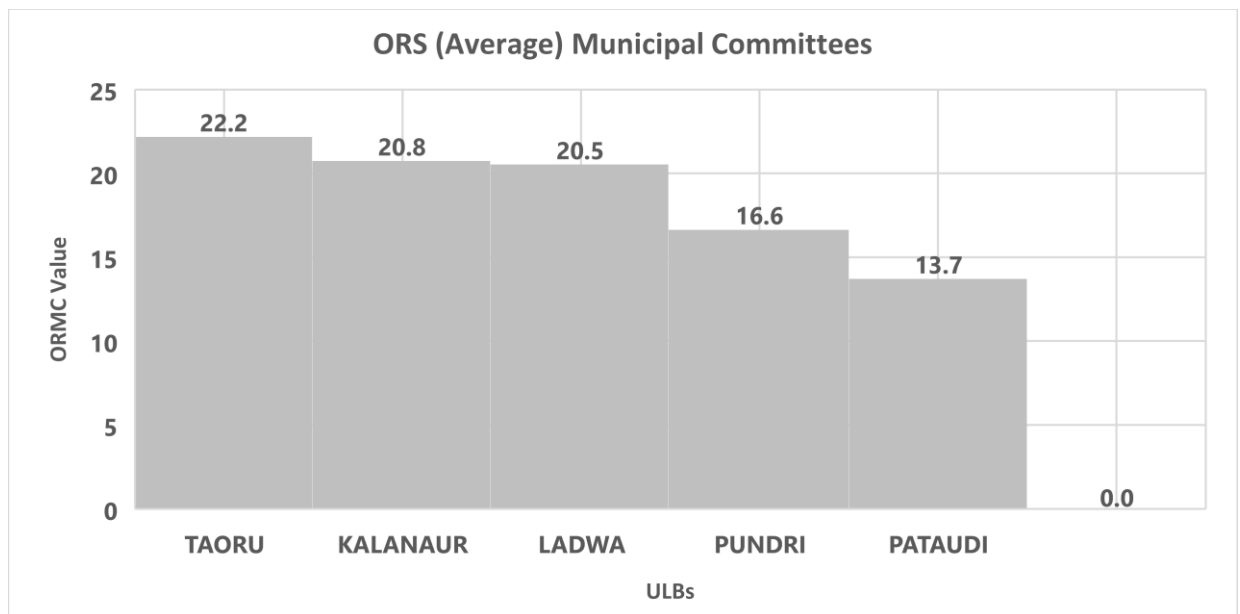


Figure 6 Own Revenue Share average of Municipal Committee

Source: DULB, 2021.Timeline of data (2016-2021)

## Overall Growth rate

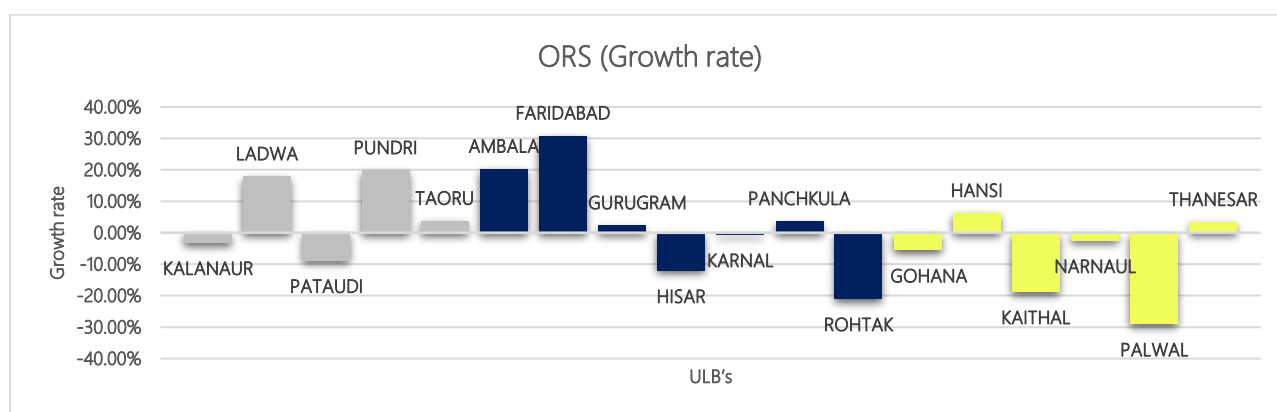


Figure 7 Own Revenue Share Growth rate

Source: DULB, 2021. Timeline of data (2016-2021)

Table 3 Own Revenue Share Growth rate (2016-2021)

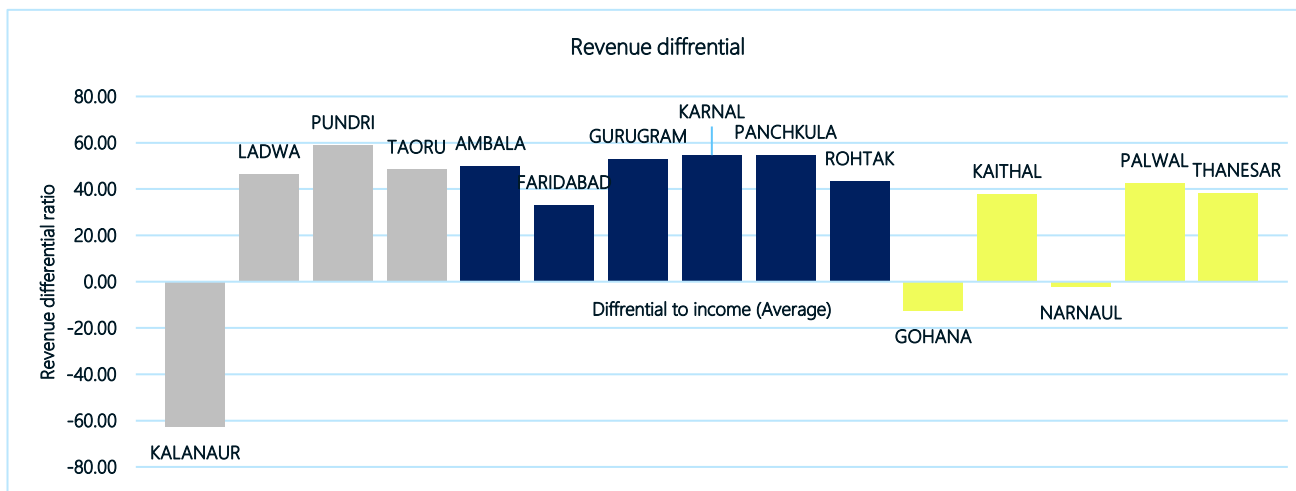
ULBs	Own revenue share Growth rate (%)
FARIDABAD	30.78%
AMBALA	20.24%
PUNDRI	19.78%
LADWA	17.81%
HANSI	6.16%
TAORU	3.69%
PANCHKULA	3.58%
THANESAR	3.31%
GURUGRAM	2.26%
KARNAL	-0.60%
NARNAUL	-2.49%
KALANAUR	-3.12%
GOHANA	-5.49%
PATAUDI	-8.80%
HISAR	-12.02%
KAITHAL	-18.75%
ROHTAK	-20.96%
PALWAL	-28.98%

Source: DULB, 2021. Timeline of data (2016-2021)

It can be noted that Municipal Corporations and Committees grew at a positive average of 3.3% and 5.87%, respectively. In contrast, the Growth of the municipal council's OSR shrank by 7.7%, slogging the overall growth rate to 0.36%. Despite this, the Average revenue mobilization capacity stands at 26.27%, inducing a need for its own revenue-generating strategy. While increasing user charges and tax collection efficiency remains a sustainable option, revenue generated through the sale of land can be substituted by Land value capture and PPP models as a sustainable alternative.

### 3.1.2 Revenue Differential

Revenue differential was analyzed by capturing proportionality of Revenue Surplus/deficit with Revenue income. It was observed most of the ULB's across Municipal Corporations, Committees and Councils were earning in positive proportional value of 32.25% lending potential for spending on revenue expenditure.



Source: DULB, 2021. Timeline of data (2016-2021)

Figure 8 Revenue Differential to Income

**Illustration:** Suppose a ULB earns 100 L (Income) and spends (Expenditure) 80L, the difference becomes 20L when we compare 20L with 100L income, the proportion of differential emerges out as 20%, higher the percentage higher the potential to spend that expenditure.

Table 4 Average Revenue Differential

ULBs	Revenue Differential in % (Average)
PUNDRI	58.92
PANCHKULA	54.77
KARNAL	54.64
GURUGRAM	52.99
AMBALA	49.90
TAORU	48.33
LADWA	46.36
ROHTAK	43.29
PALWAL	42.48
THANESAR	38.35
KAITHAL	37.80
FARIDABAD	33.04
NARNAUL	-2.15
GOHANA	-12.42
KALANAUR	-62.60

Source: DULB, 2021. Timeline of data (2016-2021)



### 3.1.3 Self-reliance Capacity analysis

The analysis depicts the proportion of revenue expenditures that are covered through the own revenue sources. Wherein Municipal Corporations of Gurugram, Ambala and Municipal Committee of Pataudi were observed to have better self-reliance attributed to their own revenue mobilization capacity. Positive growth of 1.16% is sighted (Figure 10), supplemented by Own revenue share (ORS). Municipal Corporations were observed to perform well in SRC average compared to smaller ULBs.

#### Average

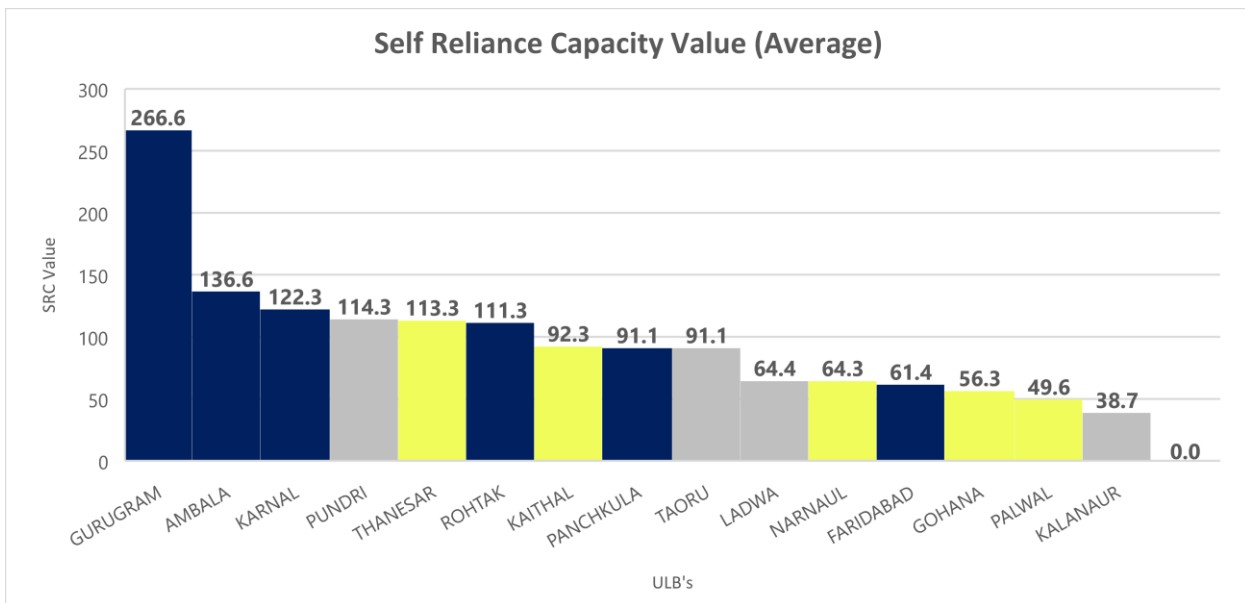


Figure 9 Self-Reliance Capacity Analysis Average (2016-2021)

Source: DULB, 2021.Timeline of data (2016-2021)

#### Overall Growth Rate

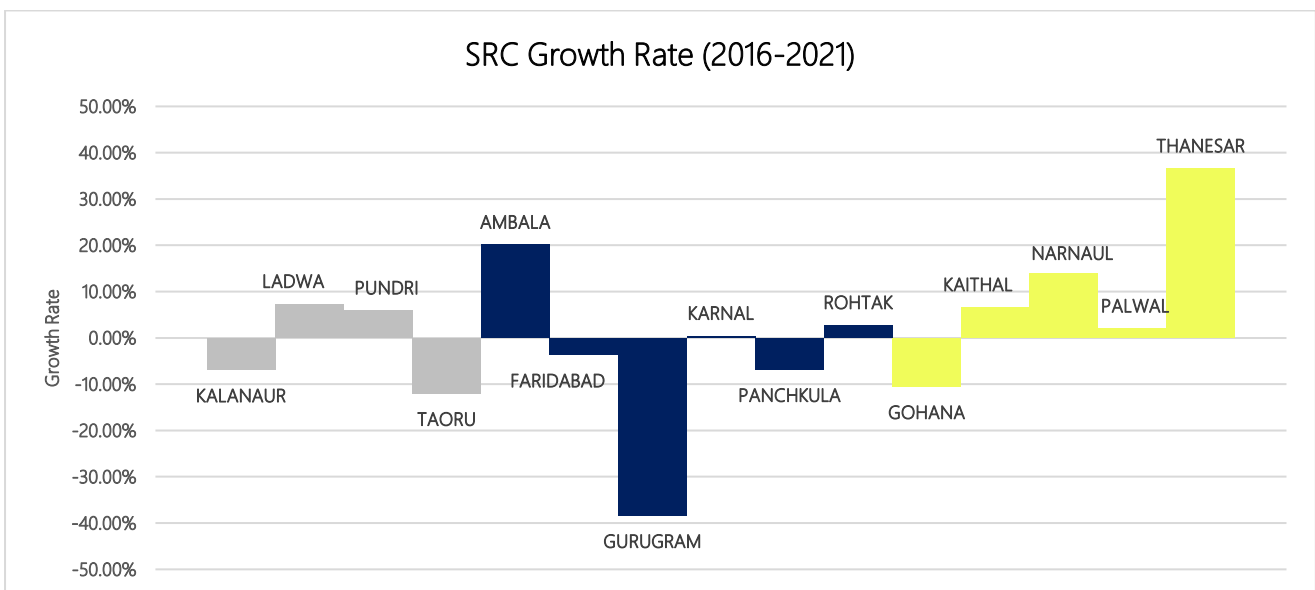


Figure 10 Self-Reliance Analysis Growth Rate (2016-2021)

Source: DULB, 2021.Timeline of data (2016-2021)

### 3.1.4 Dependency Ratio (DR)

The parameter of dependency ratio reflects the proportion of Total expenditures covered through the own revenue sources. The below Figure 11 depicts the Gurugram, Pataudi and Narnaul with lesser dependency in sections of Municipal Corporations, Committees and Councils, respectively. Wherein, an average DR Value of 75.07% was observed propelled by own revenue mobilization capacities of municipalities. Along with a growth of 3.48% during the period of 2016-2021, attributing to hit during fiscal years of 2019-20 and 2020-21 propelled by the pandemic.

#### Average

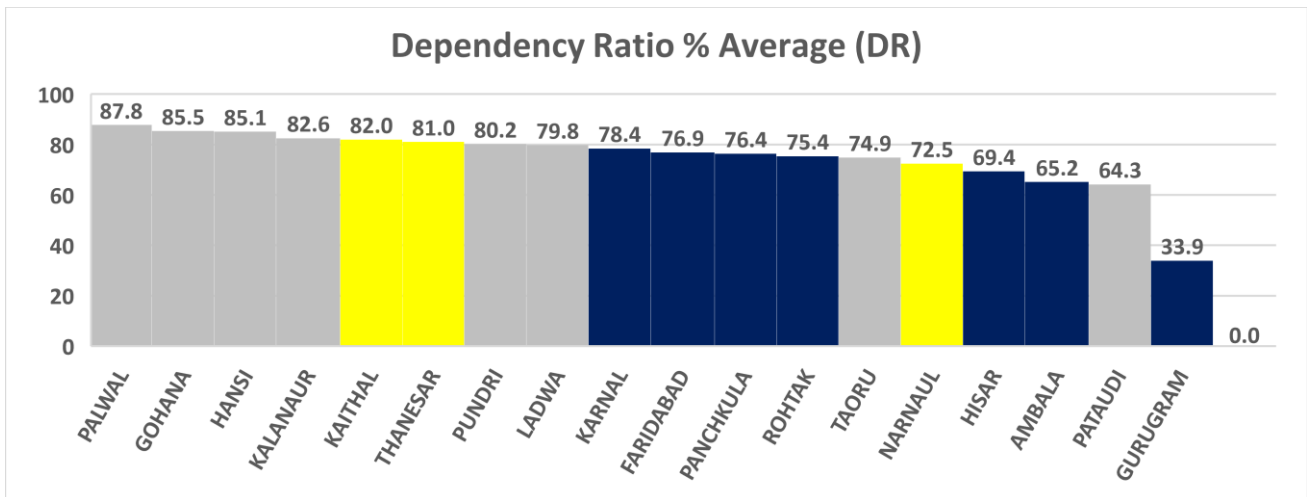


Figure 11 Dependency Ratio

Source: DULB, 2021. Timeline of data (2016-2021)

#### Overall Growth Rate

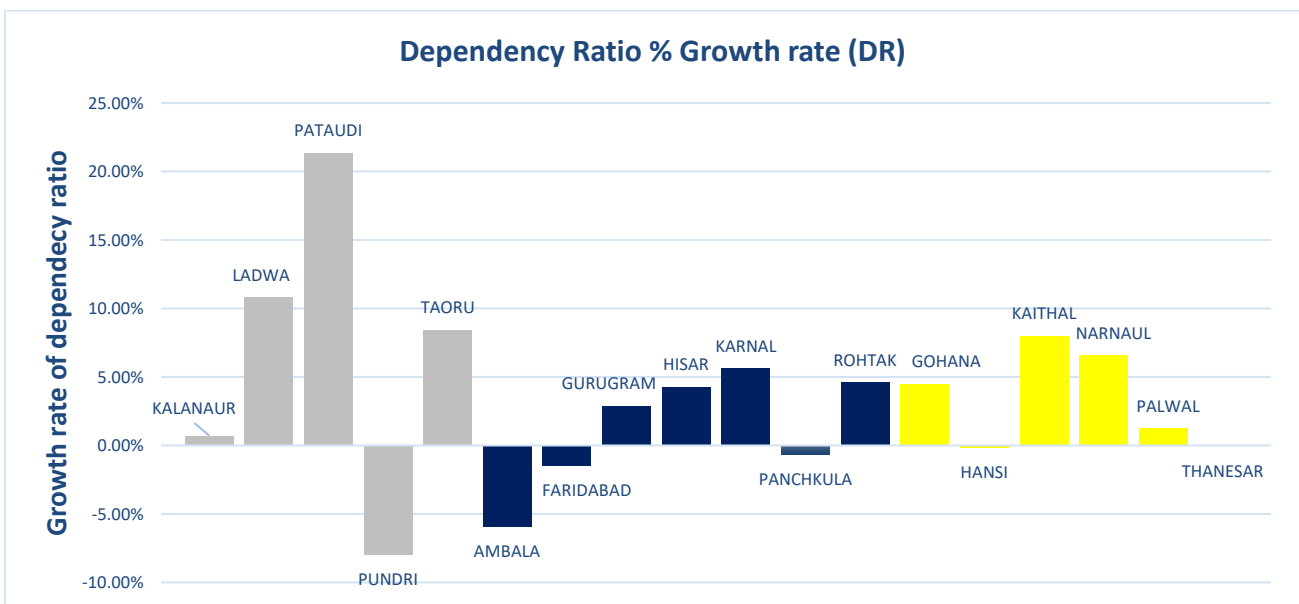


Figure 12 Dependency Ratio % Growth Rate (DR)

### 3.1.5 Tax: Non-tax Proportion

The analysis of tax to non-tax proportion was done to capture proportional dependency in revenue streams wherein the analysis reflected that Larger Municipal Corporations tend to earn from tax revenues predominated (50%) by property tax compared to Municipal Committees (20.2%) and councils (16.2%) sourcing their revenue from Non-tax revenue.

Further analyzing, it was inferred that Higher Non-tax revenue proportion in smaller ULB's can be attributed to lesser efficiency in tax resources and not better collection of non-taxes. The difference in proportion resulting from a lesser tax revenue stream in comparison to Non-tax sources depicts larger untapped potential existing in Non-tax and non-property taxes.

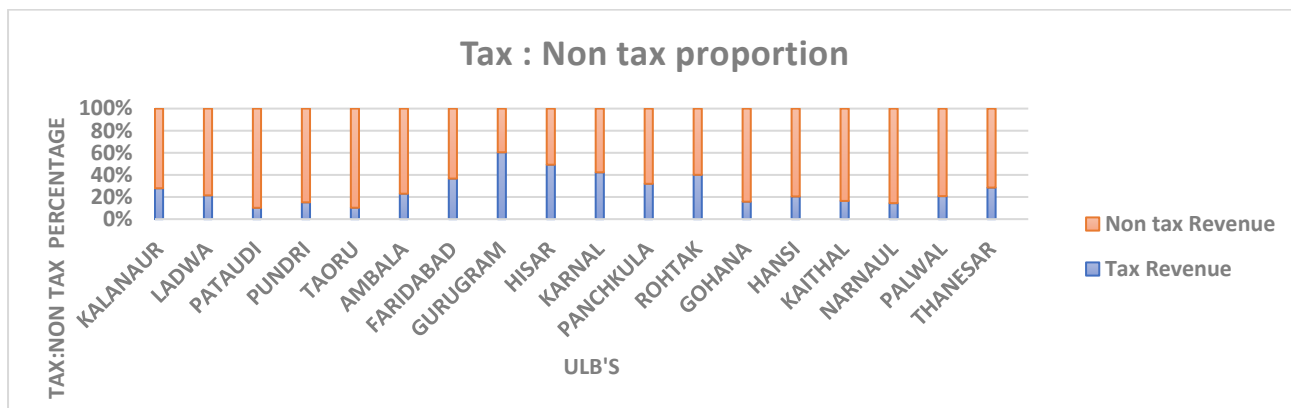


Figure 13 Tax: Non tax proportion

Source: DULB, 2021.Timeline of data (2016-2021)

Table 5 Tax: Non tax proportion in various ULB's

ULBs	Tax revenue	Non tax revenue
GURUGRAM	25958.4	16984.1
FARIDABAD	5823.2	10055.4
ROHTAK	1990.2	2977.2
KARNAL	1311.4	1787.6
HISAR	1215.1	1253.2
AMBALA	965.5	3234.0
PANCHKULA	925.6	1971.5
THANESAR	301.8	756.3
KAITHAL	178.3	904.0
PALWAL	87.8	334.3
NARNAUL	83.0	491.2
HANSI	75.1	291.3
GOHANA	59.7	318.5
LADWA	34.3	125.2
KALANAUR	23.9	61.8
PUNDRI	18.2	101.5
TAORU	15.8	138.2
PATAUDI	14.3	125.5

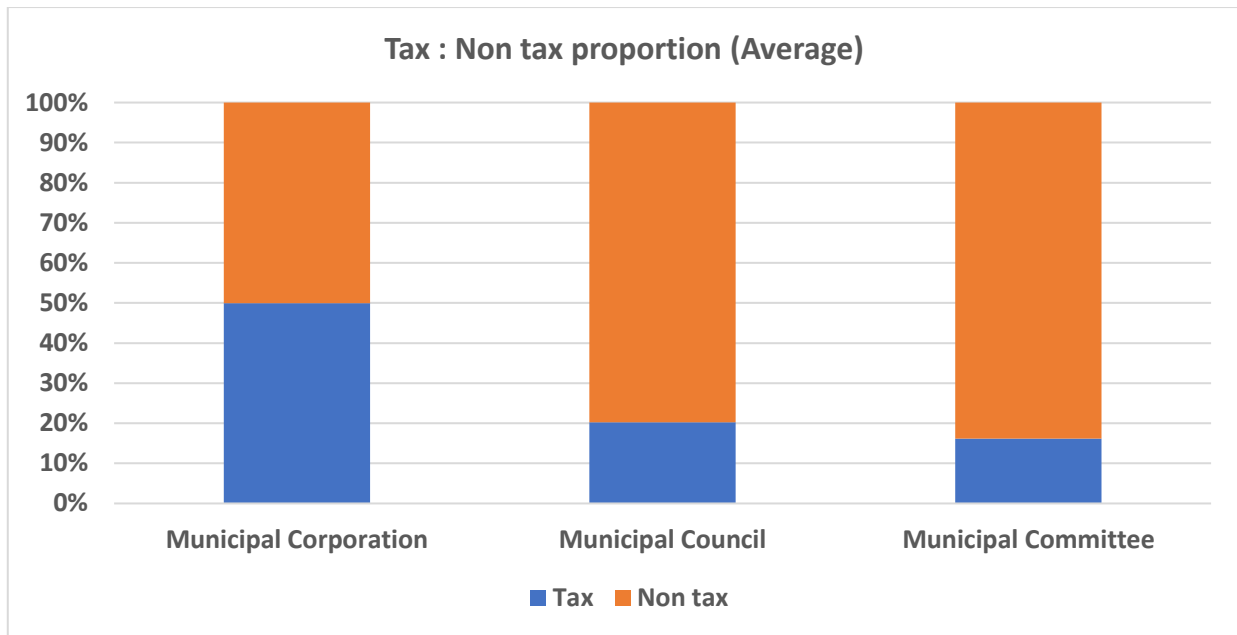


Figure 14 Tax: Non-tax average proportion

Source: DULB, 2021. Timeline of data (2016-2021)

### 3.1.6 Property tax to total tax revenue

An average of 92.61% property tax reflected the gravity of property tax in total taxes, making it a predominant source of income for most of the ULB's. It reflects a need for revenue diversification, inducing sustainability and resilience in the self-financing ULB's.

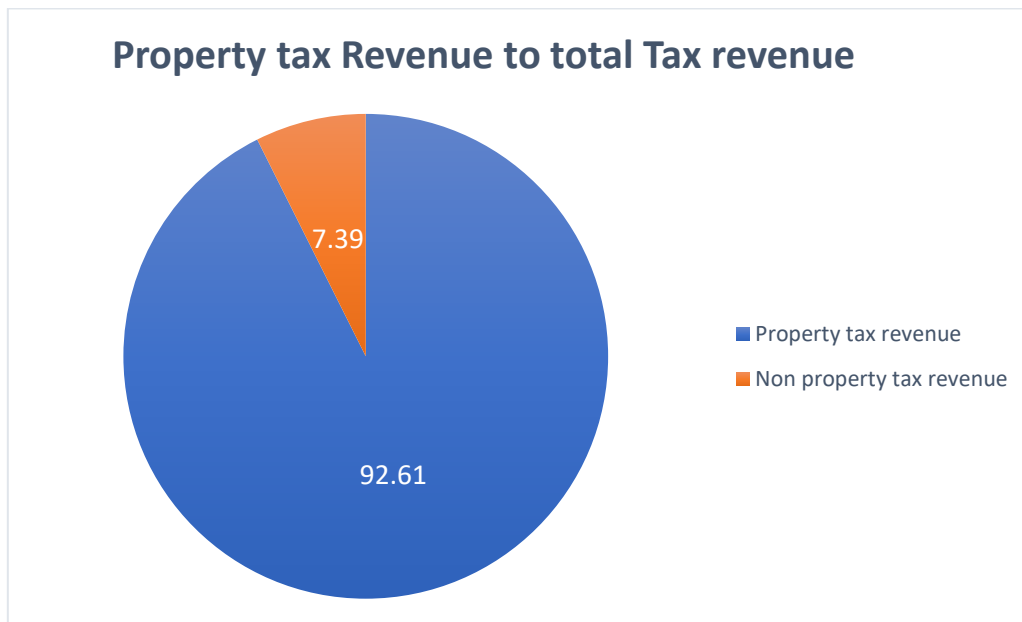


Figure 15 Proportion of Property Tax in Total Tax revenue

Source: DULB, 2021. Timeline of data (2016-2021)

### 3.1.7 Property Tax: Total Revenue

It was analyzed to depict proportionality and efficiency to derive detrimental recommendations from the ground scenario regarding collection, coverage, and diversification. The ULB's of Gurugram, Karnal and Hisar were observed to perform well on average, while municipalities of Taoru, Ladwa, Karnal, Faridabad, Pundri, Kaithal have shown considerable positive growth in proportionality.

It is inferred that the proportion of property tax-based revenue in total revenue remains high in Municipal Corporations, whereas the overall average across ULB's remained 13.65%, with the average growth rate during 2016-2021 being +19.35% showing untapped potential, which exists among other ULB's which can be improvised through better collection and coverage.

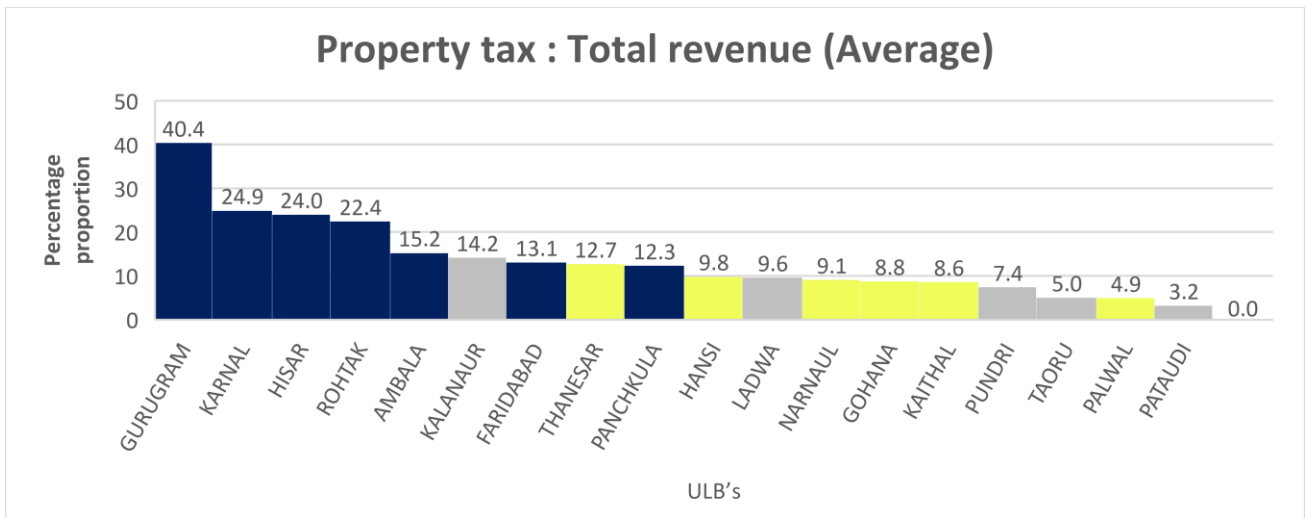


Figure 16 Property Tax Proportion in Total Revenue

Source: DULB, 2021. Timeline of data (2016-2021)

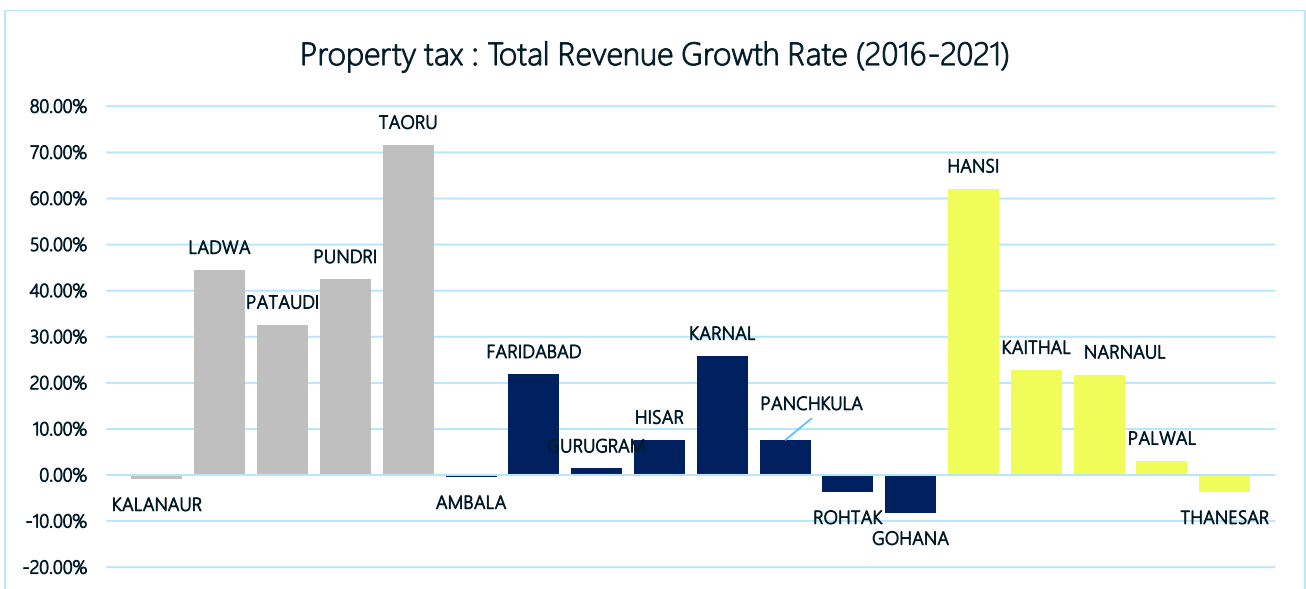


Figure 17 Property Tax: Total Revenue Growth Rate (2016-2021)

Source: DULB, 2021. Timeline of data (2016-2021)

### 3.1.8 Tax Collection Efficiency (Property tax)

The collection efficiency of property tax was assessed based on demand and actuals. Kaithal, Karnal and Thanesar hovered around 50% of demand, lending out the scope of expansion in collection, coverage and assessment. While a positive growth can be observed in Karnal attributing to the efficient collection, a dip in efficiency is observed in Panchkula, Thanesar and Gurugram. The overall collection efficiency remained 34.44%, whereas the growth rate remained -3.52%, attributing especially to the years of 2019-20.2020-21 marked by the covid pandemic.

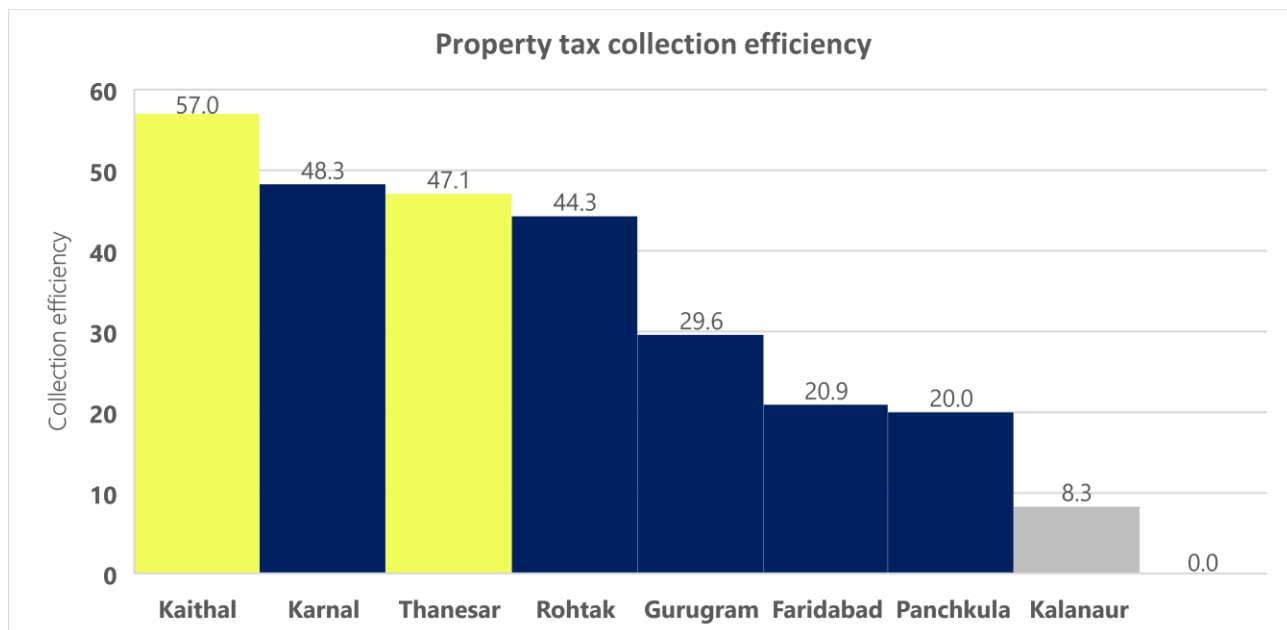


Figure 18 Property Tax Collection Efficiency

Source: DULB, 2021.Timeline of data (2016-2021)

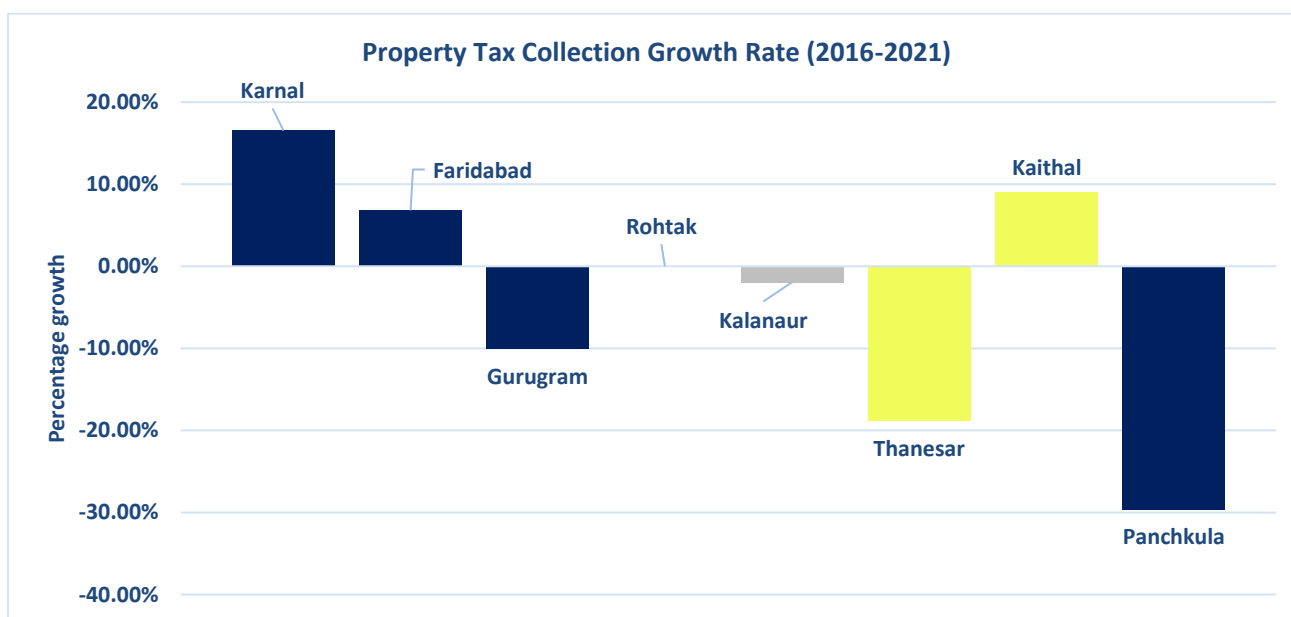


Figure 19 Property Tax Collection Growth Rate (2016-2021)

### 3.1.9 Property tax growth: GSDP Growth

It was analyzed to capture proportional growth of property tax to the state GSDP as suggested by the 15th CFC. Wherein average proportional growth of +7.30% was observed across ULBs during 2016-2021, with GSDP growing at 6.30%, 61.11% (11 out of 18 ULBs) qualified the proportional growth criteria set up by the 15th CFC for performance grants.

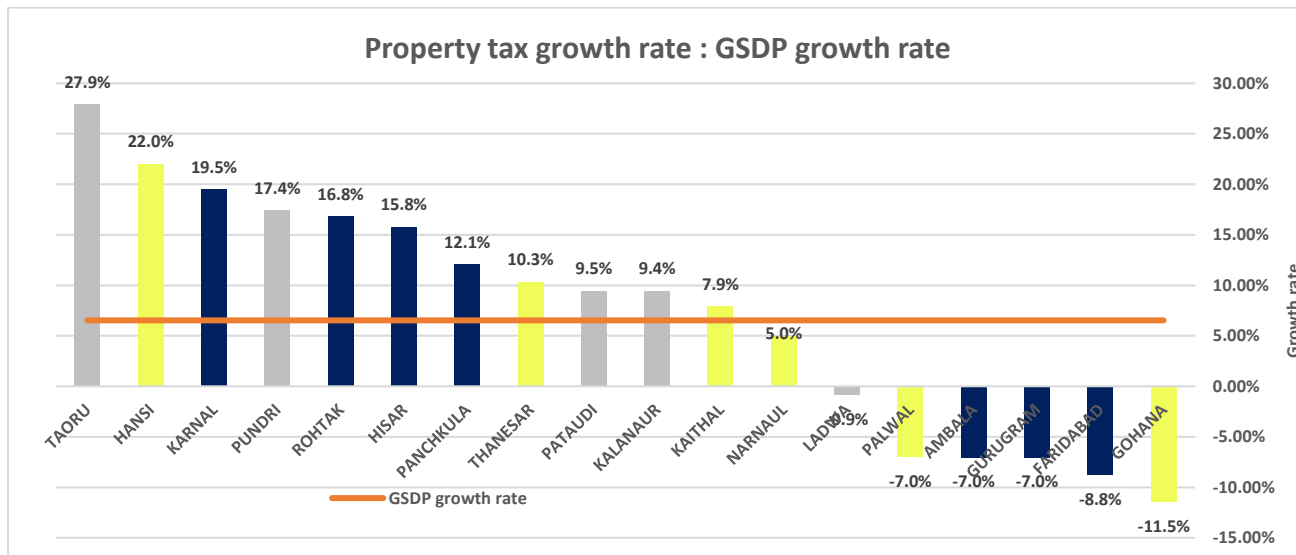


Figure 20 Property tax growth rate: GSDP growth rate

Source: DULB, 2021. Timeline of data (2016-2021)

Table 6 Property tax growth rate (2016-2021)

ULBs	Property tax growth rate
TAORU	27.91%
HANSI	22.03%
KARNAL	19.49%
PUNDRI	17.40%
ROHTAK	16.82%
HISAR	15.77%
PANCHKULA	12.07%
THANESAR	10.30%
PATAUDI	9.47%
KALANAUR	9.42%
KAITHAL	7.91%
NARNAUL	5.00%
LADWA	-0.88%
PALWAL	-6.99%
AMBALA	-7.03%
GURUGRAM	-7.04%
FARIDABAD	-8.81%
GOHANA	-11.49%

### 3.1.10 Establishment Expenditure Share

The factor propels the level of service delivery as it depicts the scope of expenditure post establishment cost concomitantly. Higher Establishment cost proportion becomes a detrimental factor with respect to both the expansion of capital assets and maintenance of existing facilities. Whereas too low proportion also reflects unsustainability, lesser establishment cost proportional to the total revenue illustrates higher capacity to spend on service delivery, too low a proportion may hamper the capacity for service delivery, and too high proportion induces unsustainability in the long term a rational expenditure proportion considering staffing and Capital is deemed ideal. While an average establishment share of 28.33% was observed, and rational expenditure proportion considering staffing and Capital is considered to be ideal.

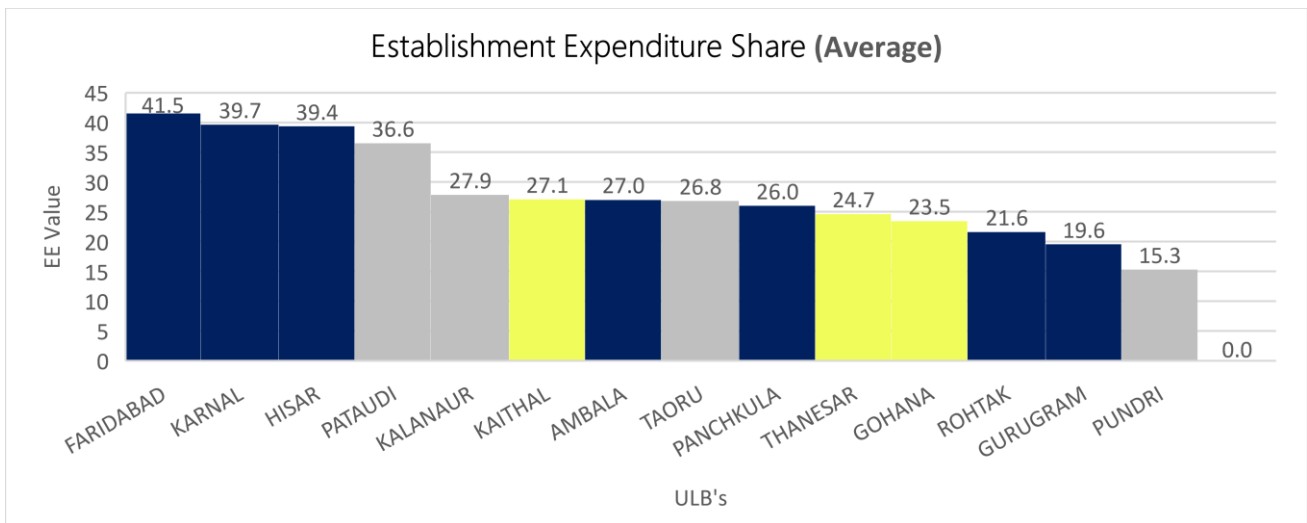


Figure 21 Establishment expenditure share in total expenditure

Source: DULB, 2021. Timeline of data (2016-2021)

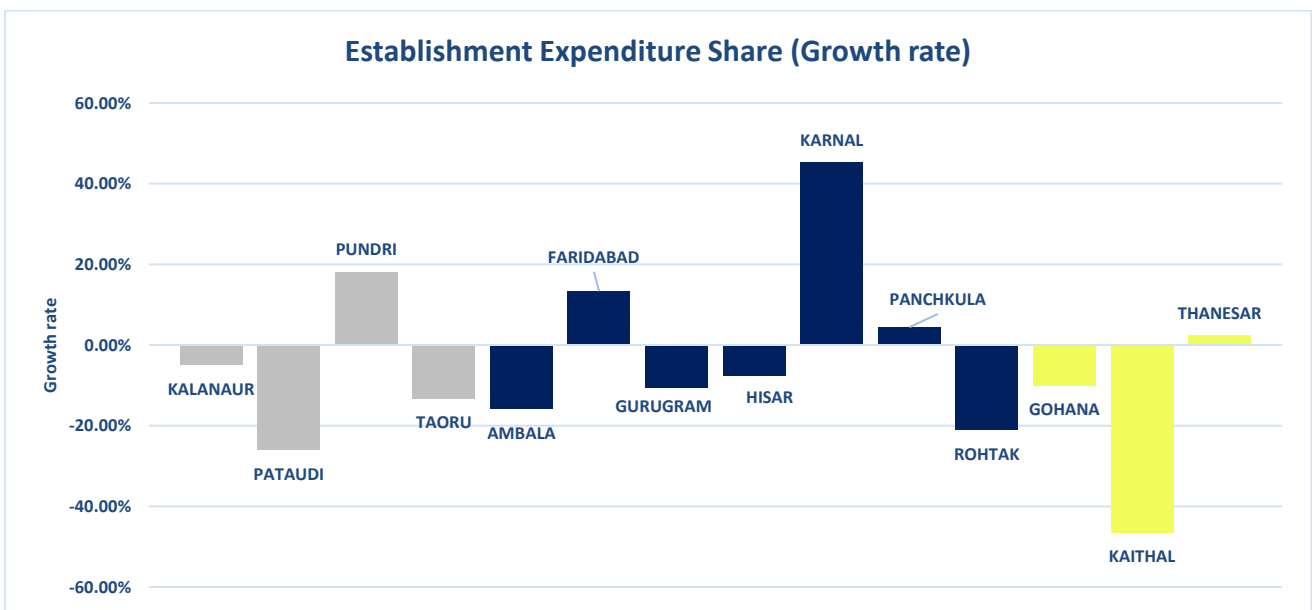


Figure 22 Growth rate of Establishment expenditure



## 3.2 RECOMMENDATIONS ON FINANCES

- **Tax Board**
  - A **Tax board** is recommended at the state level to assist and monitor ULB's tax collection, coverage, and assessment and to overview the setup of tax rates and user charges (Services) in adjusting to current costs and inflations. As also reinforced by the property tax analysis (Figure 19), the requirement for an assisting body at the state level is deemed ideal.
  - **Case Reference Consulted:** Tamil Nadu, Gujarat and 13th CFC.
- **Property Tax Reforms**
  - An **integrated interdepartmental property database** is recommended to be created by DULB, wherein a Unique property ID is generated based on the digitized database of electricity meter number, water meter number, trade license number, building ID. Based on which an integrated billing for property tax, water and sewerage charges can be generated.
  - **Case Reference Consulted:** It is also supported and recommended by MoHUA reforms through a national initiative of technical assistance to States and ULBs called PRAPTI- Policy and Reforms for Augmentation of Property Tax in India
  - Andhra Pradesh, along with E-Governments Foundation, implemented the idea, wherein it led to a 25% increase in coverage, 30% in the collection and 111% in revenue during FY 15-16 and FY 18-19.
  - It is recommended to adopt the Capital Value Method based on floor rates of **property tax** in ULBs in consonance with the **prevailing circle rates** (i.e., guideline rates for property transactions) as a part of ULB reforms, as also
  - **Case Reference Consulted:** ULB reforms suggested by Ministry of Finance, Government of India.
- **Area Based Betterment Charges**
  - For increasing self-sustainability by improving **own revenue mobilization** (Figure 7). With property tax encompassing a significant proportion of tax revenue, there exists a need for **diversifying revenue streams through non-tax revenues** to induce the component of financial sustainability.
  - Betterment charges are recommended to be introduced as a VCF tool where rapid investment in mass infrastructure has been made.
  - **Case Reference Consulted:** BBMP (Bengaluru).
- **Credit Rating**
  - It is recommended to carry out investment-grade credit rating across all Municipal Corporations to improve access to finances through Municipal bonds.

- **Data Management Center**

- To forgo Data inconsistency and instil a monitoring system. with the biggest limitation of the study being data inconsistency where the same ULB's had presented different data sets, attributed to lack of common data repository and common format budgeting format, wherein it is recommended to establish a **Data management center** at the state level in HIPA, as a center which collects and monitors Realtime data pertaining to municipal finances, services and knowledge garnered by the finance commission. Additionally, it can also act as a rating agency monitoring Municipalities performances and ease of living.



- **Geospatial Dashboard**

- Developing a geospatial dashboard with Service delivery details and financial details aligning to the link book concept is recommended to induce transparency, efficiency & Accountability, as the awareness factor was found to be a significant lack (Primary survey).

- **SOP's**

- As an effort to facilitate functional devolution with ambiguity encircling the activity (Table 2), It is recommended to develop SOP's for the transfer of functions encompassing activity mapping as a critical need. To collate transfer of functions, functionaries and funds.

## 4 FUNCTIONARIES

### 4.1 STAFFING CAPACITY ANALYSIS

Sector-wise, sanctioned staff and staffing capacity was analyzed based on filled and sanctioned posts. Wherein it was inferred that a critical staffing gap persists across ULB's where staffing capacity in terms hovers around 48.25% (Figure 23). Essentially reflecting that approximate workload handled by one ULB is 2.07 factors. The below (Figure 24)**Error! Reference source not found.** depicts the criticality in gap based on working sectors.

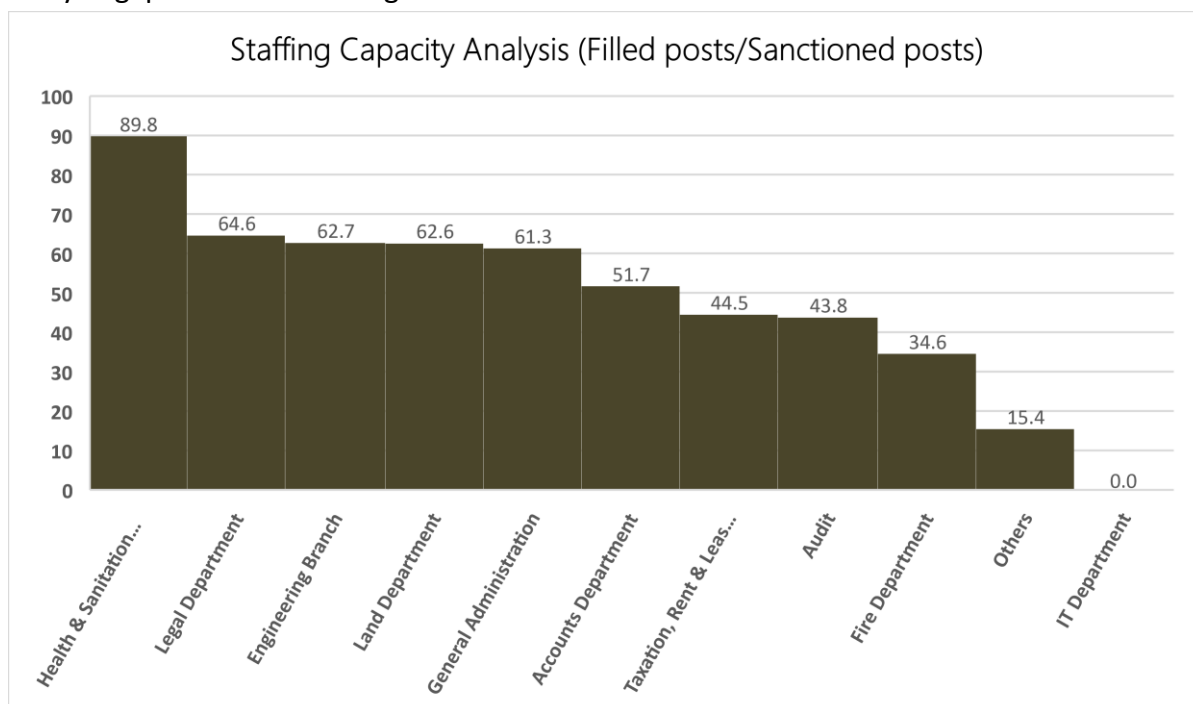


Figure 23 Staffing Capacity Analysis

Source: ULB's Secondary data,2021

### Sector-wise sanctioned staff

Table 7 Sector-wise sanctioned staff

Sector	Sanctioned post percentage
Health & Sanitation Department	73.80
Engineering Branch	7.07
Fire Department	6.70
General Administration	5.51
Land Department	3.39
Accounts Department	1.00
Taxation, Rent & Lease Department	0.97
Others	0.80
Legal Department	0.28
IT Department	0.26
Audit	0.23

## 4.2 CAPACITY BUILDING

The gaps were derived based on analyzing task profile of stakeholders through primary surveys and TNA by DULB in the cohorts of technical, administration, financial, legal, revenue (As depicted in Figure 24), extracting critical gaps in terms of -

- **Knowledge:** knowing what and how to do it, facts, procedures, standards working environment
- **Skills:** having the ability to do it, physical, interpersonal, social, intellectual
- **Attitude:** For being prepared to do it for people, quality, safety and willingness to change

Figure 24 Capacity cohorts

Source: TNA, DULB & Primary survey,2021.

### Technical

- **Town Planning:** Technical Advocacy tools, Time management, Tactful communication, Importance of PPP in infrastructure projects, Best enforcement practices in the field, land record ,Urban Transport, Urban land Management system, GIS integration & Remote sensing , understanding city microclimate on planning.
- **Engineering Cell:** Technical Advocacy tools, Time management, Tactful communication, Importance of PPP in infrastructure projects, Best enforcement practices in the field, land record, project management & building information modelling, GIS & TSS, understanding city microclimate on planning.

### Administration

- Business etiquettes, conflict resolution, email etiquettes, inter personal skills, organizational skill, File management system, time management, productivity, proactiveness, office computation, information processing

### Financial

- Double Entry Accounting System, Best practices in accounting, Business etiquettes, conflict resolution, email etiquettes, inter personal skills, organisational skill, cost management, File management system, time management, productivity, proactiveness, office computation, information processing

### Legal

- File management system, time management, productivity, proactiveness, office computation, information processing

### Revenue

- Land management system, GIS mapping, time management, productivity, proactiveness, office computation, information processing

### 4.3 RECOMMENDATIONS FOR FUNCTIONARIES

- **Revising Sanctioned Posts**

The changing nature of work propelled by new challenges and emerging technologies has brought a need to relook into staffing patterns. Wherein it is recommended to revise ULB's "sanctioned posts" based on sectoral needs.

- **Strengthening Capacity of Center for Urban Governance**

- Developed by HIPA & DULB to strengthen the ULB's of Haryana, The Center for Urban governance can be further strengthened through enhancing scope in terms of Functions, functionaries and finances encompassing –

#### **Functions**

- **Capacity Development Cell** - Enhancement of service delivery efficiency based on training need of all stake holders (Elected representatives, officials and officers of all ranks) of Department of Urban Local Bodies and Line Departments.
- **Performance Assessment & Monitoring Unit** - of ULB's on annual basis identifying gaps & potentials.
- **Data Management Center** - HIPA may be identified as a nodal agency for data management center, which is to be established as a data repository of urban and rural local bodies.

#### **Domain-Specific Capacities –**

- **Urban Planning & Service Cell** – To provide consultatory support in creating, implementing, and monitoring development plans.
- **Municipal Finance Cell** – developing knowledge and research support on urban finance, taxation, accounting and auditing services.
- **Research & Development cell** – To capture innovation and best practices contextual to Haryana's urban landscape.

#### **Functionaries & Finances**

- Enhancing human resources for Strengthening the Center through permanent employees.
- Fiscal support to cater establishment and functional needs.

#### **Capacity building courses**

- It is recommended that CUG at HIPA to developing a structured module for the certified course to strengthen the ULB officials, Elected representatives in terms of – **Knowledge, Skills and Attitude**
- The course is to be linked to incentivization in terms of professional benefits and recognition through awards.

## 5 SERVICE DELIVERY ASSESSMENT

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### 5.1.1 Status of Municipal Services & Sustainable Development Goals

The status of services was captured based on citizen perception on service delivery, governance and grievance redressal, and secondary data of service delivery with respect to the benchmarks, which is further described in the below sections.

### 5.1.2 The Citizen Perception Index

The Citizen Perception Index was formed as part of the Urban Service Delivery Assessment Framework that captures the functioning of the surveyed Urban Local Bodies from the end-user's perspective, i.e., citizens. The framework within which this index is designed has kept in view how citizens interact and perceive the Urban Local Bodies as self-governance units, considering their actual functions on the ground. The research design is based on undertaking self-assessments of citizens so that it enables to create rankings of the ULBs based on their performance vis-à-vis each other in the state. This helps enhance our understanding of gaps in the overall urban service delivery and provides practical insights into what appears on the ground as the end result of this service delivery.

The approach is based on constitutional and actual devolution of functions devolved to Urban Local Bodies, along with considering the general functioning of these ULBs as self-governance units.

An overview of the assessment indicators can be seen in **Appendix A**, which provides a detailed overview of the assessment indicators, including a total of 20 questions asked from the citizens spread across three categories and further nine sub-categories. Each indicator is based on a key function devolved to the ULB as part of the urban service delivery system and the overall working of ULB as a unit. An ordinal value ranging from zero to a maximum of 5 points is scored for each performance indicator.

This methodology is based on three dimensions of ULBs as self-governance units providing key service delivery:

- **User-Centered Service Delivery** Responsiveness and Perception- covering overall citizen perception on key services delivered
- **Governance**-including awareness of what the role of ULB is to the citizen and inclusivity in terms of participation in decision-making
- **Grievance Redressal and Response**- perception of citizens based on their experience in grievance redressal, financial disclosure and how effective the response has been in terms of the recent pandemic

These perception indicators are derived from the Municipal Performance Index report as published by the Ministry of Housing and Urban Affairs, Government of India. These indicators cover each aspect of performance across different types of municipalities comprehensively. The services as a parameter aim to comprehensively cover all functions that a municipality performs, which its citizens experience daily, making them come in contact with their local self-governance. The other vertical of governance makes an attempt to cover those parameters that talk about how the administration can

carry out its functions- in terms of awareness and inclusivity as seen through its citizens. Grievance Redressal is taken as a separate vertical given that the way issues of citizens are resolved has a large bearing on the way they see their local self-government, where COVID response was also considered given the significance ULBs played during the unfortunate pandemic.

### The Survey

The primary survey of citizens was conducted for **ten samples selected ULBs across four administrative divisions of Haryana with a representative sample of nearly 400 respondents**. Given that 20 ULBs were initially considered as part of the sample, it is to be noted that in the remaining ten cities of the sample, due to paucity of time, primary survey, particularly for citizens, couldn't be conducted, and in some cities, the data wasn't complete to be able to be fit for analysis which was also not considered.

In order to create a perception index overall, the normalized values for each component under each parameter were taken so as to make the ratings of ordinal scales comparable.

### 5.1.3 Results and Rankings

#### Performance Indicator Wise

Table 8 Scores for the perception of citizens for overall parameters of sample ULBs

Division	ULB Name	Service delivery	Governance	Grievance Redressal
Faridabad	Municipal Council Palwal	0.608	0.43	0.596
Faridabad	Municipal Corporation Faridabad	0.617	0.409	0.701
Faridabad	Municipal Committee Tauru	0.675	0.481	0.815
Gurugram	Municipal Corporation Gurugram	0.652	0.36	0.556
Gurugram	Municipal Committee Pataudi	0.673	0.454	0.833
Rohtak	Municipal Council Gohana	0.708	0.421	0.515
Hisar	Municipal Corporation Hisar	0.543	0.35	0.583
Ambala	Municipal Corporation Panchkula	0.686	0.52	0.673
Ambala	Municipal Corporation Ambala	0.580	0.358	0.549
Ambala	Municipal Council Thanesar	0.709	0.475	0.777
State Mean		0.645	0.426	0.660

Source: Primary survey,2021.

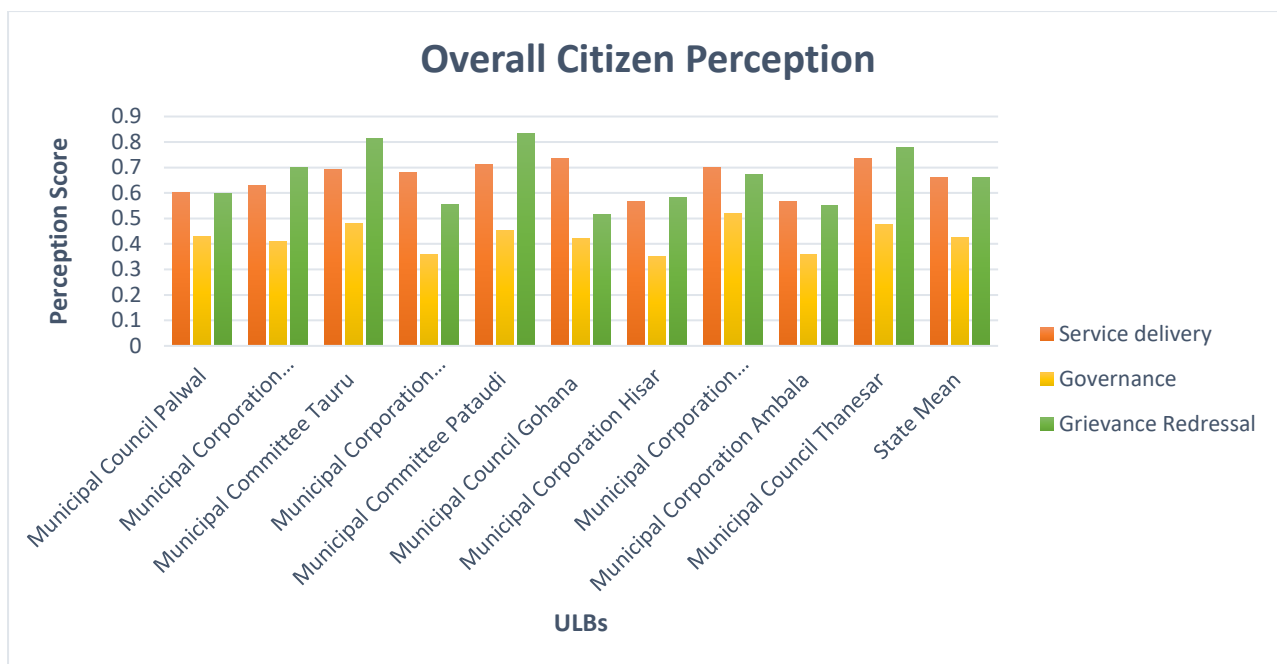


Figure 25 Overall Citizen Perception for sample ULBs

Source: Primary survey,2021.

Overall, it is the smallest ULBs- Municipal Committee Pataudi and Municipal Committee Tauru- that score the highest across all indicators of Service Delivery, Governance and Grievance Redressal.

#### 5.1.4 Citizens Perception about Services

Table 9 Citizen Perception Score for various services provided in sample ULBs

ULB Name	Solid Waste Management	WASH	Mobility	Fire and Emergency Services	Recreation	Street Light	Other services
Municipal Council Palwal	0.865	0.547	0.54	0.45	0.62	0.69	0.63
Municipal Corporation Faridabad	0.795	0.542	0.59	0.78	0.628	0.66	0.61
Municipal Committee Tauru	0.909	0.679	0.681	0.79	0.718	0.645	0.74
Municipal Corporation Gurugram	0.755	0.577	0.64	0.79	0.77	0.74	0.66
Municipal Committee Pataudi	0.918	0.69	0.682	0.754	0.718	0.645	0.741
Municipal Council Gohana	0.842	0.571	0.726	0.852	0.77	0.74	0.694
Municipal Corporation Hisar	0.591	0.425	0.45	0.716	0.58	0.6	0.508



Municipal Corporation Panchkula	0.865	0.61	0.713	0.747	0.75	0.74	0.734
Municipal Corporation Ambala	0.782	0.515	0.765	0.524	0.46	0.57	0.524
Municipal Council Thanesar	0.875	0.608	0.731	0.813	0.772	0.806	0.807
State Mean	0.819	0.576	0.651	0.721	0.680	0.686	0.665

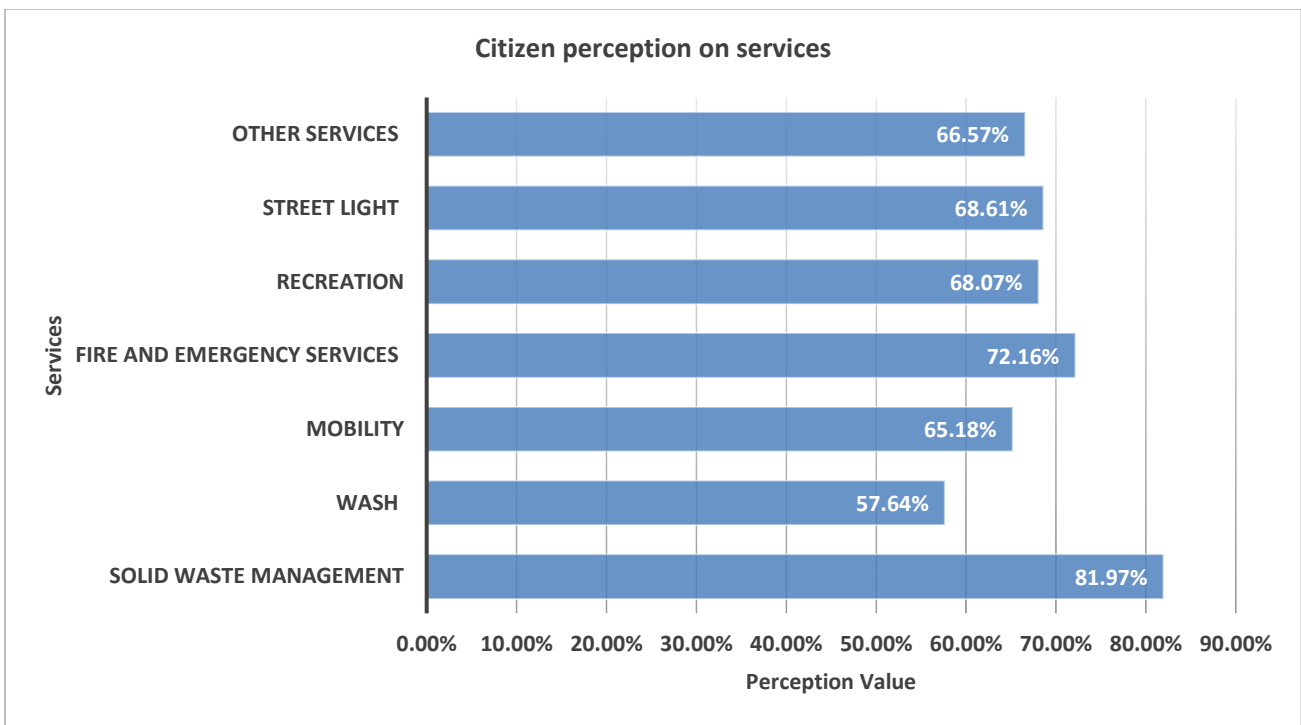


Figure 26 Citizens Perception Score for Services of sample ULBs

**Source: Primary survey,2021.**

It is observed that one of the smallest ULB- Municipal Committee Pataudi scores the best in Solid Waste Management and WASH. Further in other indicators like Mobility, Street Light and other services-birth and death registration and building permits, again medium-sized ULB- Municipal Council Thanesar performs the best.

Service delivery assessed based on citizen perception under the cohorts of User Centered Service Delivery Responsiveness and Perception, Governance and Grievance Redressal and response reflected Solid waste sector to be most impactful in perception building. While WASH is deemed as a critical requirement based on service delivery perception.

It is observed that smaller ULBs across various services levels have improved significantly in the past five years, which would have certainly led to a change in citizens' perception of these ULBs towards the better, giving a higher score. While service level records are largely unpublished and citizens lack awareness regarding service levels, there is a need to bring in data-driven transparency.

## 5.2 CITIZENS PERCEPTION ABOUT GOVERNANCE AND GRIEVANCE REDRESSAL

Table 10 Citizen Perception score for governance and grievance redressal for sample ULBs

Division	ULB Name	Governance	Grievance Redressal
Faridabad	Municipal Council Palwal	0.43	0.596
Faridabad	Municipal Corporation Faridabad	0.409	0.701
Faridabad	Municipal Committee Tauru	0.481	0.815
Gurugram	Municipal Corporation Gurugram	0.36	0.556
Gurugram	Municipal Committee Pataudi	0.454	0.834
Rohtak	Municipal Council Gohana	0.421	0.515
Hisar	Municipal Corporation Hisar	0.35	0.584
Ambala	Municipal Corporation Panchkula	0.52	0.673
Ambala	Municipal Corporation Ambala	0.358	0.549
Ambala	Municipal Council Thanesar	0.475	0.777
State Mean		0.425	0.660

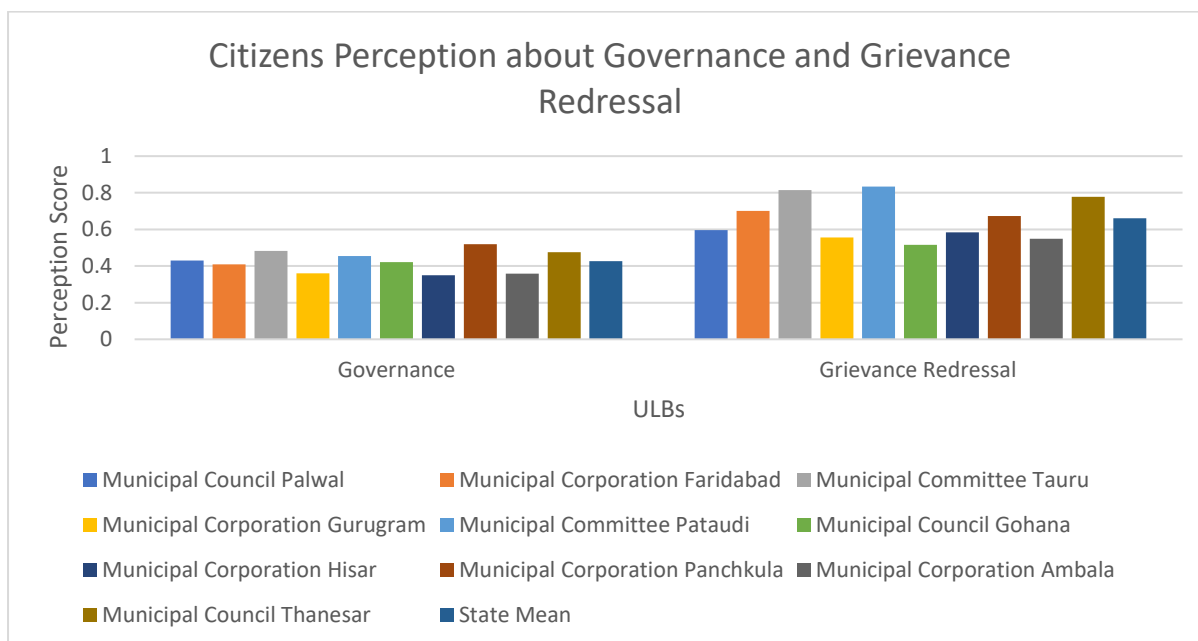


Figure 27 Citizens Perception Score for Governance and Grievance Redressal of sample ULBs

**Source: Primary survey, 2021.**

As previously observed, the smaller ULBs-Municipal Committee Tauru and Municipal Committee Pataudi have the best scores in Governance and Grievance Redressal categories, respectively.

### Composite- Citizen Perception Index

As per the methodology of the Municipal Performance Index as published by the Ministry of Housing and Urban Affairs, Government of India, a similar calculation method was adopted for calculating the Composite Perception Index for all parameters across divisions.

**COMPOSITE PERCEPTION INDEX SCORE= (1/3) \* average service Index + (1/3) \* average governance Index + (1/3) \* average grievance redressal Index.**

**Note:** Each component was given an equal weightage because of assigning equal significance as similarly attached in the Municipal Performance Index

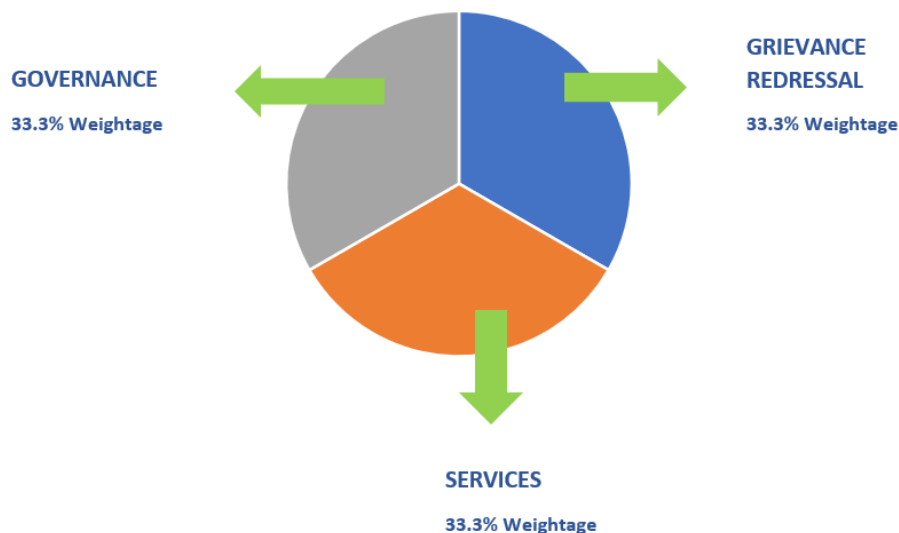
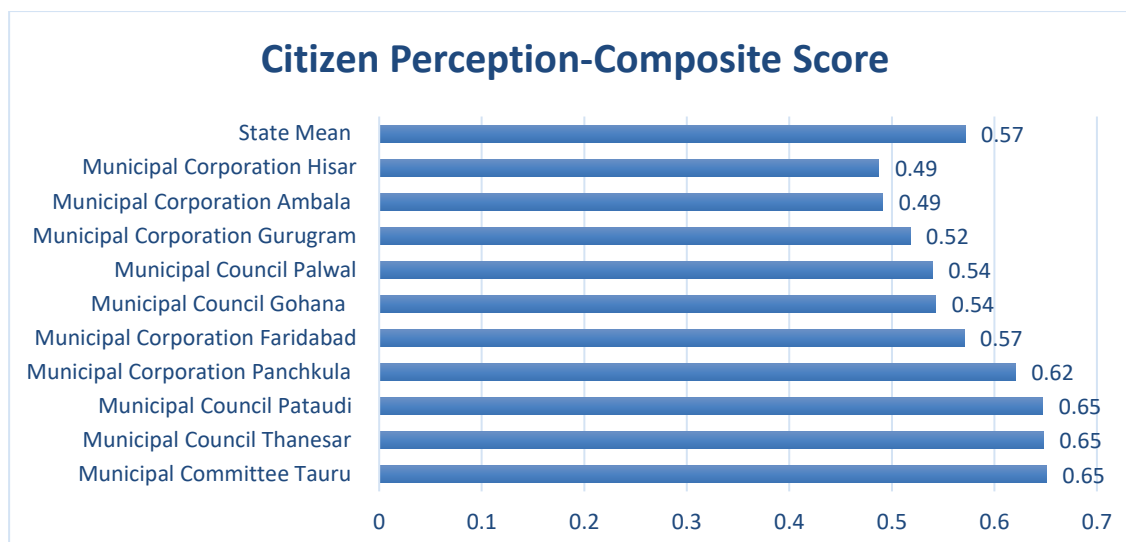


Table 11 Composite Citizen Perception Score for sample ULBs

Division	ULB Name	Citizen Perception-Composite Score	Ranking
Faridabad	Municipal Committee Tauru	0.651	1
Ambala	Municipal Council Thanesar	0.647	2
Gurugram	Municipal Committee Pataudi	0.647	3
Ambala	Municipal Corporation Panchkula	0.620	4
Faridabad	Municipal Corporation Faridabad	0.570	5
Rohtak	Municipal Council Gohana	0.542	6
Palwal	Municipal Council Palwal	0.539	7
Gurugram	Municipal Corporation Gurugram	0.517	8
Ambala	Municipal Corporation Ambala	0.491	9
Hisar	Municipal Corporation Hisar	0.487	10
	State Mean	0.571	

Figure 28 State Rankings for Composite Citizen Perception Index of sample ULBs

**Source: Primary survey,2021.**



It can be observed that the smallest ULBs- the Municipal Committees have the highest scores in terms of overall citizen perception.

It is commonly found across the various parameters that the smaller ULBs perform better. This can be inferred and explained based on other secondary data we have. Given that it is recognized that larger ULBs have greater rates of urbanization and larger growing populations, there is clearly an increasing demand for limited resources.

Table 12 Total staff in sample ULBs

ULB Name	Sanctioned	Filled	Vacant
Municipal Corporation Gurugram	4063	3537	532
Municipal Corporation Hisar	1012	905	110
Municipal Corporation Karnal	547	412	138
Municipal Council Thanesar	576	438	139
Municipal Council Palwal	172	79	93
Municipal Committee Tauru	68	44	24
Municipal Committee Pataudi	63	13	50
Municipal Committee Kalanaur	97	7	90

This can be illustrated by the fact that the staffing pattern data above shows smaller ULBs have a larger staff to serve the population, as seen by the ratio of the no. of staff per population.

## Level of Services

Table 13 Level of Municipal Services- Examples

ULB Name	Service level indicator	Status as on 31.3.2016	Status as on 31.3.2021
Municipal Council Palwal	Total garbage generated daily/ Total garbage lifted daily	75/50 TPD	120/115 TPD
Municipal Corporation Hisar	Total garbage generated daily/ Total garbage lifted daily	180/180 TPD	180/180 TPD
Municipal Council Kalanur	Lighted road length as % of total road length	68%	80%
Municipal Corporation Karnal	Lighted road length as % of total road length	65%	89%
Municipal Committee Tauru	Lighted road length as % of total road length	50%	90%

**Source: Data provided by individual ULB from survey on ground**

It is also noticed through looking at the examples of the level of services above that for the smaller ULBs across various services. The level has improved significantly in the past five years, which would have certainly led to a change in the perception of citizens in these ULBs towards the better, giving a higher score. This scope of expansion was comparatively lower in the larger ULBs, given the fact that they were already providing higher levels of services. This implies the citizen perception in these larger ULBs was based on their assessment in the quality for a longer duration of time compared to the certain sections of populations of smaller ULBs who were not covered by these services at all in the past but then did in the recent five years leading to a larger shift in giving a higher score to the overall delivery of these services.

When we observe the components of awareness and usage of e-services, the larger ULBs score higher, which points to the fact that digital literacy rates are high. It was thus recommended by the ULB officials and Elected Representatives we interviewed that it should be a common practice that a helpdesk should be set up in every ULB so that those who need assistance with using online services or even do their work offline in the ULB office, the confusion with regard to who to approach and when can be erased leading to a better user experience and also, in turn, enhancing the overall citizen perception about delivery of services.

It is also recommended that service matrix publication becomes widespread practice when it comes to awareness. Across all ULBs surveyed, no citizen was aware of the exact list of services provided by their own ULB and other line departments. This will help remove the burden on ULBs in getting complaints that don't actually involve them as part of that service's delivery.

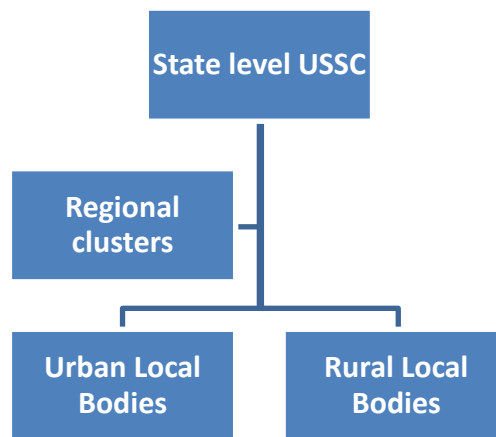
### 5.3 RECOMMENDATIONS ON IMPROVING SERVICE DELIVERY

- **Helpdesk**

It should be a common practice that a **helpdesk** should be set up in every ULB so that those who need assistance with using online services or even do their work offline in the ULB office in order to remove the information asymmetry which was noted during primary surveys.

- **Urban Shared Service Center (USSC)**

- With The staffing capacity analysis (Figure 23) reflecting the disparity in capacity in terms of functional and financial capacity, resource optimization of service delivery remains a critical need. As a part of which **Urban shared service center (USSC)** is recommended. It is envisioned to function at state, divisional and local scale.



#### Formulation

In terms of –**Tax collection, Accounting services, Citizen Services** ( Waste management, water supply, sanitation, street lights, etc.).

- **IT based support & solution alongside repositing data** in the form MIS.

#### Moderation

- **Divisional training Centers** of HIPA can be used as **supporting infrastructure** for **Regional clusters based on Service area** is to be delineated with mutual consultation of Depart of Urban local bodies and Rural development department.( Paving way for equity based Democratic decentralization ).

#### Implementation

- USSC would act as **Co-ordinational body** between local bodies and line departments.

Figure 29 Stages of support for USSC

- **Collating HIPA's, HIRD, SJHIFM Resources** - A **symbiotic partnership** could be established between **CUG (Center for Urban governance)** and **USSC** based on shared mutual vision of good governance in terms of -

- **Capacity Building** of (Officials & Elected Representatives) based on gaps & needs identified.
- **Monitoring Performances** of Local bodies – based on parametric assessment to develop Competitive spirit among local bodies.
- **Research-based** data-driven solutions in terms of **action plans, best practices** to address current gaps and future needs.
- **PPP model in SWM**
  - 64.56 Lakh metric ton (NGT) being legacy waste located in 83 dump sites. Innovative strategies such as WTE, Plastic Roads, Composting plants etc., can be introduced through the PPP model.
  - Disincentivizing landfills and incentivizing sustainable waste processing remains way ahead.

## 5.4 BEST PRACTICES

**Incentivizing RWA's for better property tax payment in localities (Municipal Corporation Gurugram)** – To increase the property tax collection Municipal Corporation of Gurugram (MCG) has implemented an incentive-based measure. It awards the Resident welfare association's (RWA) with more than 80% tax collection efficiency wherein 5% of the entire sum generated is granted for setting up sanitation, waste segregation and composting plants. The practice is suggested to be replicated across Haryana's Urban local bodies as the incentive not only encourages RWAs to get their residents clear property tax dues but also sensitizes citizens on sanitation and waste mechanisms in their localities.

**Rebating advance property tax payment (Ahmedabad Municipal Corporation)** - As an incentivizing measure for encouraging property tax payment, A rebate of 10% is given to those who pay property tax by the first month of the financial year, i.e., April-May. Paired up with strong recovery measures and eased payment process, it was observed that the initiative resulted in 30-40% of owners paying the property tax in advance.

**E-Governance in Advertisement tax (Ahmedabad Municipal Corporation)** – Ad vision AMC has been set up as the sole outdoor media licensing authority of the city, The initiative brings in better interdepartmental coordination with all line department authorities, including development authority, transport service acting as subsidiaries. The Ad-Vision has been further empowered through E-governance wherein media owners can apply, pay and renew advertising licences online. Further which Government-owned advertising sites are made available online for e-Auction enabling quicker approvals, resulting in enhanced revenue generation and better convenience.

**Sanitation mobile courts (Ahmedabad, Vadodara, Rajkot)**- India's first Sanitation Mobile Court launched by AMC sets up an unprecedented legal initiative, which seeks to discipline those who litter. Approximately 2.5 lakh cases have been registered since its inception, with a sum of approximately Rs. 10 crores levied from offenders as a penalty.

**Construction and Demolition (C&D) Waste Treatment PPP** – With Construction and demolition (C&D) waste accounting for 25% of total waste in Ahmedabad, the Municipal Corporation has launched an initiative to collect and dispose C&D through a PPP model. wherein AMC allotted 5 acres of land to the agency on lease rent of Rs. 1/sq. mt. Per annum for a period of 30 years. While private player invests Capital, it has resulted in the segregation of C&D from municipal solid waste at the origin, additionally empowering to tackle the rising issue of C&D waste management. The recycling process also helps to reduce mining for aggregates (like sand and blue metal) and save valuable land, which is otherwise wasted by the dumping of waste. Additionally, final products of the C&D processing plant are utilized in the development of different civil and infrastructure projects of AMC, making the management process feasible and the treatment process sustainable.

**Enterprise resource planning (ERP) system by SAP (Bhopal Municipal Corporation):** Bhopal became the first city in India to introduce an ERP system based on automation and digitization in municipal services. The HR module of the Municipal Administration System (MAS) is used to eliminate ghost records, while a combination of biometric/RFID-based systems is used to track attendance of field functionaries through a single-window system enabling efficient monitoring. The system has enabled transparency in public services by eliminating manual processes in tax computations, assessments, and account reconciliations. Further which the back-end processes such as procurement, inventory management, accounting has been efficiently managed with continuous tracking based on the National Manual Accounting System.

## 6 CONCLUSION

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The spatial variation in the rate of urbanization (as depicted in Table 1 ) across Haryana has propelled the need to catalyze the process of decentralization in local bodies, prompted by this unprecedented wave of democratization to strengthen the urban local bodies. The study captures the status of municipal finances and services through a comprehensive parametric assessment. Wherein factors such as Own revenue share (Table 3), Self-refinance capacity (Figure 10), despite showing positive growth in the last five years, they yet indicate the need for prioritization towards own revenue generation reflecting the untapped potential which exists. The impact of pandemic was especially observed across the parameter of fiscal autonomy, with the municipal councils and committees being most affected.

While property tax growth (7.30%) has exceeded state GSDP growth (6.30%), the collection efficiency average remains at 34.44%, reflecting the scope to improve the tax revenue stream through effective collection and coverage. It contemplates the potential of revenue that can be extracted if the ULB's synchronously grow with the state. While the service delivery perception overall remained satisfactory (Figure 26) the sectors of WASH were perceived by the citizens to be of critical concern. Whereas coverage efficiency of solid waste performed well in benchmarks, the issue of legacy waste lying in 83 dump yards brings in a need to adopt sustainable techniques in services, propounding the need for awareness regarding SDG's.



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## 8 ANNEXURE

### Annexure 1: Calculation ORS

Own Revenue Share (Municipal Corporation)								
ULBs	Years	Tax revenue (A)	Non tax revenue (B)	Total revenue (C)	Own revenue share (A+B)/C	Own revenue share (%)	Average Own revenue share	CAGR (%)
AMBALA	2016-17	1173.21	2250.21	16657.15	0.20	20.55	34.42	20.24
	2017-18	650.47	2337.64	9984.09	0.29	29.93		
	2018-19	1196.23	4618.06	10451.78	0.55	55.63		
	2019-20	931.35	2748.58	15998.06	0.23	23.00		
	2020-21	876.35	4215.67	11851.25	0.42	42.97		
FARIDABAD	2016-17	7972.51	5837.25	77701.94	0.17	17.77	27.94	30.78
	2017-18	4240.38	11089.48	70669.59	0.21	21.69		
	2018-19	5556.49	9001.64	51732.26	0.28	28.14		
	2019-20	6104.70	11979.27	90068.60	0.20	20.08		
	2020-21	5241.80	12369.58	33873.77	0.51	51.99		
GURUGRAM	2016-17	30981.41	10887.86	58385.16	0.71	71.71	62.44	2.26
	2017-18	34684.26	17071.12	128415.80	0.40	40.30		
	2018-19	22175.47	23767.36	76258.10	0.60	60.25		
	2019-20	18429.79	19431.09	61527.83	0.61	61.53		
	2020-21	23520.87	13763.02	47544.82	0.78	78.42		
HISAR	2016-17	956.56	909.13	6224.81	0.29	29.97	26.75	-12.02
	2017-18	339.41	579.03	6387.94	0.14	14.38		
	2018-19	2125.76	3091.53	8612.80	0.60	60.58		
	2019-20	886.53	701.99	14617.46	0.10	10.87		
	2020-21	1767.34	984.33	15320.85	0.17	17.96		
KARNAL	2016-17	965.25	1440.97	11206.87	0.21	21.47	20.44	-0.60
	2017-18	846.34	2556.58	15806.17	0.21	21.53		
	2018-19	1109.72	1523.84	14245.04	0.18	18.49		
	2019-20	1695.68	1604.81	16719.96	0.19	19.74		
	2020-21	1939.90	1811.72	17897.39	0.20	20.96		
PANCHKULA	2016-17	853.79	914.37	9149.13	0.19	19.33	24.74	3.58
	2017-18	972.19	904.46	13826.60	0.13	13.57		
	2018-19	764.40	4266.15	11274.45	0.44	44.62		
	2019-20	687.80	1948.57	11016.97	0.23	23.93		
	2020-21	1349.73	1823.77	14266.04	0.22	22.25		

ROHTAK	2016-17	1135.00	1904.72	10336.01	0.29	29.41	28.76	-20.96
	2017-18	2248.44	4465.45	17433.98	0.38	38.51		
	2018-19	2533.96	3454.55	11298.95	0.53	53.00		
	2019-20	1970.80	2868.80	42421.18	0.11	11.41		
	2020-21	2063.02	2192.65	37076.47	0.11	11.48		

Own Revenue Share (Municipal Council)								
ULBs	Years	Tax revenue (A)	Non tax revenue (B)	Total revenue (C)	Own revenue share (A+B)/C	Own revenue share (%)	Average Own revenue share	CAGR
GOHANA	2016-17	96.63	329.29	1098.24	0.38	38.78	34.62	-5.49
	2017-18	41.16	301.06	1084.45	0.31	31.56		
	2018-19	72.49	308.22	698.47	0.54	54.51		
	2019-20	30.18	268.78	1727.74	0.17	17.30		
	2020-21	57.98	385.29	1432.53	0.30	30.94		
HANSI	2016-17	49.51	394.39	1817.15	0.24	24.43	20.99	6.16
	2017-18	50.20	321.53	2520.56	0.14	14.75		
	2018-19	74.00	164.39	1474.05	0.16	16.17		
	2019-20	97.00	257.55	1909.80	0.18	18.56		
	2020-21	104.79	318.44	1364.06	0.31	31.03		
KAITHAL	2016-17	198.73	770.21	3607.79	0.26	26.86	19.01	-18.75
	2017-18	140.08	596.27	7830.59	0.09	9.40		
	2018-19	177.83	2153.74	5721.03	0.40	40.75		
	2019-20	147.61	345.69	7795.95	0.06	6.33		
	2020-21	227.45	654.30	7532.72	0.11	11.71		
NARNAUL	2016-17	77.79	329.47	990.79	0.41	41.10	51.95	-2.49
	2017-18	43.17	270.57	710.58	0.44	44.15		
	2018-19	99.76	475.88	950.95	0.60	60.53		
	2019-20	103.65	922.16	1335.41	0.76	76.82		
	2020-21	90.58	457.87	1475.65	0.37	37.17		
PALWAL	2016-17	107.77	347.50	3074.21	0.14	14.81	8.38	-28.98
	2017-18	88.87	399.61	6438.73	0.07	7.59		
	2018-19	95.55	397.17	4972.64	0.09	9.91		
	2019-20	97.13	331.48	7365.51	0.05	5.82		
	2020-21	49.74	195.95	6521.34	0.03	3.77		
THANESAR	2016-17	236.56	482.40	4060.32	0.17	17.71	18.52	3.31
	2017-18	316.49	568.89	5237.08	0.16	16.91		

	2018-19	224.39	883.85	5125.56	0.21	21.62		
	2019-20	348.58	951.40	8033.48	0.16	16.18		
	2020-21	382.85	894.84	6333.94	0.20	20.17		

Own Revenue Share (Municipal Committee)								
ULBs	Years	Tax revenue (A)	Non tax revenue (B)	Total revenue (C)	Own revenue share (A+B)/C	Own revenue share (%)	Average Own revenue share	CAGR (%)
KALANAUR	2016-17	12.21	39.52	339.65	0.15	15.23	20.75	-3.12
	2017-18	62.32	77.16	365.75	0.38	38.14		
	2018-19	23.38	70.03	355.24	0.26	26.29		
	2019-20	5.5	47.55	496.56	0.10	10.68		
	2020-21	16.23	74.79	678.3	0.13	13.42		
LADWA	2016-17	47.35	54.36	974.43	0.10	10.44	20.53	17.81
	2017-18	10.24	58.38	1232.4	0.05	5.57		
	2018-19	28.81	285.82	929.23	0.33	33.86		
	2019-20	38.9	166.87	629.21	0.32	32.70		
	2020-21	46.05	60.39	529.37	0.20	20.11		
PATAUDI	2016-17	13.97	115.89	1322.34	0.09	9.82	13.72	-8.80
	2017-18	9.16	171.99	1606.45	0.11	11.28		
	2018-19	12.51	203.17	775.38	0.27	27.82		
	2019-20	15.6	99.21	889.63	0.12	12.91		
	2020-21	20.13	37.19	843.55	0.06	6.80		
PUNDRI	2016-17	7.59	48.97	529.03	0.10	10.69	16.65	19.78
	2017-18	5.59	71.98	1540.69	0.05	5.03		
	2018-19	27.79	191.72	759.54	0.28	28.90		
	2019-20	35.42	79.78	694.17	0.16	16.60		
	2020-21	14.6	115.14	589.58	0.22	22.01		
TAORU	2016-17	21.04	123.68	817.08	0.17	17.71	22.19	3.69
	2017-18	7.30	117.86	848.76	0.14	14.75		
	2018-19	7.95	134.07	487.06	0.29	29.16		
	2019-20	5.41	210.22	746.65	0.28	28.88		
	2020-21	37.50	104.93	695.81	0.20	20.47		

## Annexure 2: Calculation SRC analysis

Self-reliance analysis								
ULBs	Years	Tax Revenue (A)	Non-Tax revenue (B)	Own Revenue C=(A+B)	Revenue expenditure(D)	Self-reliance (%) (C/D)*100	Self reliance Capacity	CAGR (%)
KALANAUR	2016-17	12.21	39.52	51.73	137.88	37.52	38.66	-6.86
	2017-18	62.32	77.16	139.48	210.32	66.32		
	2018-19	23.38	70.03	93.41	250.95	37.22		
	2019-20	5.5	47.55	53.05	220.86	24.02		
	2020-21	16.23	74.79	91.02	322.42	28.23		
LADWA	2016-17	47.35	54.36	101.71	155.69	65.33	64.42	7.28
	2017-18	10.24	58.38	68.62	439.75	15.60		
	2018-19	28.81	285.82	314.63	441.84	71.21		
	2019-20	38.9	166.87	205.77	246.66	83.42		
	2020-21	46.05	60.39	106.44	122.99	86.54		
PUNDRI	2016-17	7.59	48.97	56.56	77.53	72.95	114.28	5.88
	2017-18	5.59	71.98	77.57	97.29	79.73		
	2018-19	27.79	191.72	219.51	96.09	228.44		
	2019-20	35.42	79.78	115.20	116.84	98.60		
	2020-21	14.6	115.14	129.74	141.52	91.68		
TAORU	2016-17	21.04	123.68	144.72	115.43	125.38	91.06	-11.94
	2017-18	7.30	117.86	125.16	165.78	75.50		
	2018-19	7.95	134.07	142.02	208.71	68.05		
	2019-20	5.41	210.22	215.64	194.24	111.02		
	2020-21	37.50	104.93	142.44	188.95	75.38		
AMBALA	2016-17	1173.21	2250.21	3423.42	3198.81	107.02	136.63	20.08
	2017-18	650.47	2337.64	2988.11	3484.14	85.76		
	2018-19	1196.23	4618.06	5814.29	3975.48	146.25		
	2019-20	931.35	2748.58	3679.93	3026.52	121.59		
	2020-21	876.35	4215.67	5092.02	2288.58	222.50		
FARIDABAD	2016-17	7972.51	5837.25	13809.76	19979.32	69.12	61.38	-3.64
	2017-18	4240.38	11089.4	15329.86	22938.2	66.83		
	2018-19	5556.49	9001.64	14558.13	28048.55	51.90		
	2019-20	6104.7	11979.2	18083.97	30403.8	59.48		
	2020-21	5241.8	12369.5	17611.38	29556.2	59.59		

GURUGRAM	2016-17	30981.4	10887.8	41869.27	6154.36	680.32	266.64	-38.31
	2017-18	34684.2	17071.1	51755.38	18914.2	273.63		
	2018-19	22175.4	23767.3	45942.83	27602.5	166.44		
	2019-20	18429.7	19431.0	37860.88	33128.76	114.28		
	2020-21	23520.8	13763.0	37283.89	37842.86	98.52		
KARNAL	2016-17	965.25	1440.97	2406.22	1957.71	122.91	122.31	0.40
	2017-18	846.34	2556.58	3402.92	2952.15	115.27		
	2018-19	1109.72	1523.84	2633.56	2633.51	100.00		
	2019-20	1695.68	1604.81	3300.49	2222.6	148.50		
	2020-21	1939.9	1811.72	3751.62	3003.92	124.89		
PANCHKULA	2016-17	853.79	914.37	1768.16	1811	97.63	91.08	-6.78
	2017-18	972.19	904.46	1876.65	2558.1	73.36		
	2018-19	764.4	4266.15	5030.55	3466.52	145.12		
	2019-20	687.8	1948.57	2636.37	4022.21	65.55		
	2020-21	1349.73	1823.77	3173.50	4303.93	73.73		
ROHTAK	2016-17	1135	1904.72	3039.72	3955.39	76.85	111.26	2.71
	2017-18	2248.44	4465.45	6713.89	4129.88	162.57		
	2018-19	2533.96	3454.55	5988.51	4441.02	134.85		
	2019-20	1970.8	2868.8	4839.60	5015.04	96.50		
	2020-21	2063.02	2192.65	4255.67	4976.73	85.51		
GOHANA	2016-17	96.63	329.29	425.92	547.43	77.80	56.30	-10.48
	2017-18	41.16	301.06	342.22	734.16	46.61		
	2018-19	72.49	308.22	380.71	648.05	58.75		
	2019-20	30.18	268.78	298.96	618.34	48.35		
	2020-21	57.98	385.29	443.27	887.02	49.97		
KAITHAL	2016-17	198.73	770.21	968.94	1062.95	91.16	92.27	6.59
	2017-18	140.08	596.27	736.35	1271.22	57.92		
	2018-19	177.83	2153.74	2331.57	1389.07	167.85		
	2019-20	147.61	345.69	493.30	1843.44	26.76		
	2020-21	227.45	654.3	881.75	749.47	117.65		
NARNAUL	2016-17	77.79	329.47	407.26	759.14	53.65	64.31	13.89
	2017-18	43.17	270.57	313.74	943.92	33.24		
	2018-19	99.76	475.88	575.64	914.89	62.92		
	2019-20	103.65	922.16	1025.81	1259.37	81.45		
	2020-21	90.58	457.87	548.45	607.55	90.27		
PALWAL	2016-17	107.77	347.5	455.27	891.49	51.07	49.57	1.98
	2017-18	88.87	399.61	488.48	965.63	50.59		

	2018-19	95.55	397.17	492.72	1028.67	47.90		
	2019-20	97.13	331.48	428.61	995.44	43.06		
	2020-21	49.74	195.95	245.69	444.8	55.24		
THANESAR	2016-17	236.56	482.4	718.96	1031.07	69.73	113.25	36.56
	2017-18	316.49	568.89	885.38	948.56	93.34		
	2018-19	224.39	883.85	1108.24	1348.48	82.18		
	2019-20	348.58	951.4	1299.98	1655.19	78.54		
	2020-21	382.85	894.84	1277.69	526.94	242.47		

### Annexure 3: Calculation Dependency Ratio

Dependency Ratio								
ULBs	Years	Tax Revenue (A)	Non-Tax revenue (B)	Own Revenue C=(A+B)	Total expenditure(D)	Dependency Ratio (%) (D-C/D)*100	Dependency Ratio (Average)	CAGR (%)
KALANAU R	2016-17	12.21	39.52	51.73	323.92	84.03	82.56	0.71
	2017-18	62.32	77.16	139.48	473.74	70.56		
	2018-19	23.38	70.03	93.41	544.88	82.86		
	2019-20	5.5	47.55	53.05	477.86	88.90		
	2020-21	16.23	74.79	91.02	671.96	86.45		
LADWA	2016-17	47.35	54.36	101.71	253.65	59.90	79.79	10.83
	2017-18	10.24	58.38	68.62	1137.46	93.97		
	2018-19	28.81	285.82	314.63	1219.22	74.19		
	2019-20	38.9	166.87	205.77	1055.84	80.51		
	2020-21	46.05	60.39	106.44	1104.45	90.36		
PATAUDI	2016-17	13.97	115.89	129.86	232.16	44.06	64.25	21.37
	2017-18	9.16	171.99	181.15	272.54	33.53		
	2018-19	12.51	203.17	215.68	517.55	58.33		
	2019-20	15.6	99.21	114.81	1117.31	89.72		
	2020-21	20.13	37.19	57.32	1307.95	95.62		
PUNDRI	2016-17	7.59	48.97	56.56	551.47	89.74	80.18	-7.99
	2017-18	5.59	71.98	77.57	1530.65	94.93		
	2018-19	27.79	191.72	219.51	635.67	65.47		
	2019-20	35.42	79.78	115.20	851.16	86.47		
	2020-21	14.6	115.14	129.74	363.52	64.31		
TAORU	2016-17	21.04	123.68	144.72	394.02	63.27	74.93	8.42
	2017-18	7.30	117.86	125.16	650.21	80.75		
	2018-19	7.95	134.07	142.02	696.90	79.62		
	2019-20	5.41	210.22	215.64	591.71	63.56		

	2020-21	37.50	104.93	142.44	1133.95	87.44		
AMBALA	2016-17	1173.21	2250.21	3423.42	8278.69	58.65	65.15	-5.93
	2017-18	650.47	2337.64	2988.11	16056.01	81.39		
	2018-19	1196.23	4618.06	5814.29	16858.04	65.51		
	2019-20	931.35	2748.58	3679.93	14307.79	74.28		
	2020-21	876.35	4215.67	5092.02	9417.69	45.93		
FARIDABAD	2016-17	7972.51	5837.25	13809.76	52295.27	73.59	76.89	-1.50
	2017-18	4240.38	11089.48	15329.86	76611.02	79.99		
	2018-19	5556.49	9001.64	14558.13	83585.35	82.58		
	2019-20	6104.7	11979.27	18083.97	86094.59	79.00		
	2020-21	5241.8	12369.58	17611.38	57321.59	69.28		
GURUGRAM	2016-17	30981.41	10887.86	41869.27	33421.61	-25.28	33.89	2.88
	2017-18	34684.26	17071.12	51755.38	115465.67	55.18		
	2018-19	22175.47	23767.36	45942.83	62088.34	26.00		
	2019-20	18429.79	19431.09	37860.88	81342.63	53.46		
	2020-21	23520.87	13763.02	37283.89	93422.33	60.09		
HISAR	2016-17	956.56	909.13	1865.69	5928.43	68.53	69.35	4.31
	2017-18	339.41	579.03	918.44	6340.66	85.52		
	2018-19	2125.76	3091.53	5217.29	6992.51	25.39		
	2019-20	886.53	701.99	1588.52	11506.7	86.19		
	2020-21	1767.34	984.33	2751.67	14583.37	81.13		
KARNAL	2016-17	965.25	1440.97	2406.22	6996.86	65.61	78.45	5.63
	2017-18	846.34	2556.58	3402.92	15223.07	77.65		
	2018-19	1109.72	1523.84	2633.56	20125.43	86.91		
	2019-20	1695.68	1604.81	3300.49	16832.41	80.39		
	2020-21	1939.9	1811.72	3751.62	20478.81	81.68		
PANCHKULA	2016-17	853.79	914.37	1768.16	7780.07	77.27	76.44	-0.67
	2017-18	972.19	904.46	1876.65	11414.67	83.56		
	2018-19	764.4	4266.15	5030.55	16567.98	69.64		
	2019-20	687.8	1948.57	2636.37	11212.45	76.49		
	2020-21	1349.73	1823.77	3173.50	12812.73	75.23		
ROHTAK	2016-17	1135	1904.72	3039.72	11775.86	74.19	75.43	4.60
	2017-18	2248.44	4465.45	6713.89	16306.6	58.83		
	2018-19	2533.96	3454.55	5988.51	17438.45	65.66		
	2019-20	1970.8	2868.8	4839.60	46938.84	89.69		
	2020-21	2063.02	2192.65	4255.67	38010.08	88.80		



GOHANA	2016-17	96.63	329.29	425.92	1550.85	72.54	85.46	4.49
	2017-18	41.16	301.06	342.22	3046.19	88.77		
	2018-19	72.49	308.22	380.71	3205.01	88.12		
	2019-20	30.18	268.78	298.96	3483.49	91.42		
	2020-21	57.98	385.29	443.27	3274.99	86.46		
HANSI	2016-17	49.51	394.39	443.90	2243.76	80.22	85.15	-0.18
	2017-18	50.2	321.53	371.73	3817.18	90.26		
	2018-19	74	164.39	238.39	2085.02	88.57		
	2019-20	97	257.55	354.55	2735.37	87.04		
	2020-21	104.79	318.44	423.23	2079.4	79.65		
KAITHAL	2016-17	198.73	770.21	968.94	3557.6	72.76	82.02	8.00
	2017-18	140.08	596.27	736.35	6986.11	89.46		
	2018-19	177.83	2153.74	2331.57	5226.6	55.39		
	2019-20	147.61	345.69	493.30	7616.29	93.52		
	2020-21	227.45	654.3	881.75	86735.25	98.98		
NARNAUL	2016-17	77.79	329.47	407.26	1140.77	64.30	72.52	6.56
	2017-18	43.17	270.57	313.74	1723.84	81.80		
	2018-19	99.76	475.88	575.64	2266.88	74.61		
	2019-20	103.65	922.16	1025.81	2499.37	58.96		
	2020-21	90.58	457.87	548.45	3209.53	82.91		
PALWAL	2016-17	107.77	347.5	455.27	2806.08	83.78	87.79	1.26
	2017-18	88.87	399.61	488.48	6592.91	92.59		
	2018-19	95.55	397.17	492.72	2869.12	82.83		
	2019-20	97.13	331.48	428.61	5138.84	91.66		
	2020-21	49.74	195.95	245.69	2061.55	88.08		
THANESAR	2016-17	236.56	482.4	718.96	3953.5	81.81	81.05	-0.08
	2017-18	316.49	568.89	885.38	4214.41	78.99		
	2018-19	224.39	883.85	1108.24	5320.25	79.17		
	2019-20	348.58	951.4	1299.98	7983.46	83.72		
	2020-21	382.85	894.84	1277.69	6926.29	81.55		

#### Annexure 4: Calculation Establishment Expenditure Share

Establishment Expenditure Share (Municipal Corporation)						
ULBs	Years	Establishment Expenditure (A)	Total Expenditure (B)	Quality of Expenditure (A/B)	Average	CAGR (%)
AMBALA	2016-17	3198.81	8278.69	38.64	27.03	-15.84
	2017-18	3484.14	16056.01	21.7		
	2018-19	6021.37	16858.04	35.72		
	2019-20	2819.31	14307.79	19.71		
	2020-21	1825.61	9417.69	19.39		
FARIDABAD	2016-17	20215.32	52295.27	38.656	41.53	13.34
	2017-18	23107.51	76611.02	30.162		
	2018-19	31957	83585.35	38.233		
	2019-20	31700	86094.59	36.82		
	2020-21	36567	57321.59	63.793		
GURUGRAM	2016-17	9034.77	33421.61	27.03	19.58	-10.47
	2017-18	13993.03	115465.67	12.12		
	2018-19	14201.62	62088.34	22.87		
	2019-20	15048.87	81342.63	18.50		
	2020-21	16226.9	93422.33	17.37		
HISAR	2016-17	2214.436	5928.43	37.35	39.37	-7.55
	2017-18	2807.193	6340.66	44.27		
	2018-19	3668.976	6992.51	52.47		
	2019-20	4079.72	11506.7	35.46		
	2020-21	3979.649	14583.37	27.29		
KARNAL	2016-17	1957.707	6996.86	27.98	39.68	45.31
	2017-18	2952.15	15223.07	19.39		
	2018-19	2633.507	20125.43	13.09		
	2019-20	2222.604	16832.41	13.20		
	2020-21	25544.429	20478.81	124.74		
PANCHKULA	2016-17	1811	7780.07	23.28	26.03	4.40
	2017-18	2558.1	11414.67	22.41		
	2018-19	3466.51	16567.98	20.92		
	2019-20	4022.21	11212.45	35.87		
	2020-21	3543.35	12812.73	27.66		

ROHTAK	2016-17	3955.39	11775.86	33.59	21.63	-20.98
	2017-18	4130.07	16306.6	25.33		
	2018-19	4441.03	17438.45	25.47		
	2019-20	5015.04	46938.84	10.68		
	2020-21	4976.73	38010.08	13.09		

Establishment Expenditure Share (Municipal Council)						
ULBs	Years	Establishment Expenditure (A)	Total Expenditure (B)	Quality of Expenditure (A/B)	Average	CAGR (%)
GOHANA	2016-17	547.29	1550.85	35.29	23.48	-9.89
	2017-18	733.46	3046.19	24.08		
	2018-19	544.63	3205.01	16.99		
	2019-20	618.34	3483.49	17.75		
	2020-21	762.09	3274.99	23.27		
KAITHAL	2016-17	1234.15	3557.6	34.69	27.09	-46.42
	2017-18	1404.61	6986.11	20.11		
	2018-19	2406.4	5226.6	46.04		
	2019-20	2419.58	7616.29	31.77		
	2020-21	2479.11	86735.25	2.86		
THANESAR	2016-17	1031.07	3953.5	26.08	24.65	2.33
	2017-18	948.56	4214.41	22.51		
	2018-19	1348.48	5320.25	25.35		
	2019-20	1655.19	7983.46	20.73		
	2020-21	1980.36	6926.29	28.59		

Establishment Expenditure Share (Municipal Committee)						
ULBs	Years	Establishment Expenditure (A)	Total Expenditure (B)	Quality of Expenditure (A/B)	Average	CAGR (%)
KALANAUR	2016-17	99.66	323.92	30.77	27.89	-4.88
	2017-18	106.89	473.74	22.56		
	2018-19	136.69	544.88	25.09		
	2019-20	171.34	477.86	35.86		
	2020-21	169.22	671.96	25.18		

PATAUDI	2016-17	122.37	232.16	52.71	36.55	-25.98
	2017-18	158.54	272.54	58.17		
	2018-19	179.79	517.55	34.74		
	2019-20	238.21	1117.31	21.32		
	2020-21	206.97	1307.95	15.82		
PUNDRI	2016-17	77.54	551.47	14.06	15.34	18.13
	2017-18	97.31	1530.65	6.36		
	2018-19	97.09	635.67	15.27		
	2019-20	115.87	851.16	13.61		
	2020-21	99.52	363.52	27.38		
TAORU	2016-17	115.43	394.02	29.30	26.85	-13.16
	2017-18	165.78	650.21	25.50		
	2018-19	208.71	696.9	29.95		
	2019-20	194.24	591.71	32.83		
	2020-21	188.95	1133.95	16.66		

#### Annexure 5: The urban service delivery service indicator set

Category	Sub-Category	Performance Indicator	Maximum Score
User Centered Service Delivery Responsiveness and Perception	Solid Waste Management	1-In your view, how good is the garbage collection system in your neighbourhood?	5
		2-How frequent is the collection of solid waste?	5
	Water, Sanitation and Hygiene (WASH)	3-How would you rate the drinking water supply in your city?	5
		4-What is the duration of water supply per day?	5
		5-How frequently do you face water logging issues in your city?	5
		6-Are you aware of Building norms on Rain water harvesting and are you practicing it?	3
	Mobility	7-How would you rate the availability of road facilities to pedestrians and cyclists?	5

	Emergency Services	8-How good would you rate the efficiency of emergency services like fire brigade and ambulance, in your city?	5
	Recreation	9-How accessible are recreational facilities (parks, theatres and complexes) in the city?	5
		10-How satisfied are you with coverage and maintenance of streetlights in your neighbourhood?	5
	Property Tax	11-Have you ever paid property tax (If yes then mode of application)	4
	Other Services	12-How would you rate the process of obtaining building and construction permits?	5
		13-How would you rate the birth/death registration process in your municipality?	5
Governance	Awareness	14-Are you aware which services are offered by your municipality?	1
		15-Are you aware of E- services provided by ULB?	3
	Inclusivity	16-Are you aware of ward committees/Area Sabhas set up in your area?	1
		17-Do you actively participate in the decision-making process at the ward level?	3
Grievance Redressal and Response		18-How would you rate the average response time of grievances raised?	5
		19-How satisfied are you with ULBs response to handling of Covid pandemic?	5
		20-How satisfied are you with the city's efforts to disclose reports on finances and service delivery?	5



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