

# 5

## Institutional Arrangements

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### 5.1 Introduction

The CDP process provided an opportunity for Lucknow's city leadership and stakeholders – including the state government – to reflect on the gap between the current situation in the city and the vision they have for its future. There was, inevitably, a wide range of views, but there also was a considerable synergy in the belief that Lucknow has much potential, and that a positive future is possible in all concerned to do the right things. The challenge is to define “the right things”, and to find the incentives that would encourage all concerned to contribute to the achievement of the future.

The discussions and the analysis in Chapters 3 and 4 highlighted the importance of investments, concerted efforts to ensure access to reliable services for all, attracting adequate finance, and of institutional arrangements to make this possible. The fact is that no amount of investment, new infrastructure or additional finance could bring a miracle – ultimately the institutions charged with responsibilities have to be able to execute those responsibilities, draw on the resources available, and make sound decisions. Moreover, at the local level institutions could provide powerful instruments to let the voice of ordinary citizens be heard, and to respond most directly to the requirements of consumers of services.

A critical aspect of the path to a prosperous future is therefore institutional development. The 74th Constitutional Amendment set the platform for significant institutional responsibility at local level, but implementing its requirements has been a slow process. The JNNURM makes an important contribution to the policy to reshape India's cities by pointing out the linkages between institutions and infrastructure, and the need for more concerted application of the 74<sup>th</sup> Amendment. It leaves much room however for cities and states to map out those links in practice, and the CDP provides a first platform for all concerned with Lucknow's future to think what this means for their own city. The issues are complex and important, and the CDP cannot possibly provide all the answers. Moreover, it makes sense to deal with some of the key issues only once an elected council is in place again – currently anticipated to be the case after elections in September. The CDP can nonetheless begin to help shape the parameters for meaningful institutional reform though, which is what this section is about. It highlights first key features of the institutional environment, as the basis for mapping the major issues to be addressed.

### 5.2 City Governance and Municipal Services: An Overview

Like in most Indian cities, the institutional landscape in Lucknow includes a number of institutions, besides the Lucknow Nagar Nigam (LNN), that are responsible for the governance of the city and for providing urban infrastructure and services to its citizens. Aside from the local level institutions, various departments and agencies from the State Government play important roles. Table 5.1 provides a perspective on the key institutions, including the LNN, the Lucknow Development Authority, Lucknow Jal Sansthan, UP Jal Nigam, State Urban Development Authority, District Urban Development Authority, State and Central Public Works Departments, UP Awas Vikas Parishad (Housing Board).

*Table 5.1: Urban Governance and Service Delivery Institutions*

<b>Institution</b>	<b>Key Functions</b>
<b>City Level</b>	
Lucknow Nagar Nigam (LNN)	Local level governance; Primary Collection of Solid Waste; Maintenance of Storm Water Drains; Maintenance of municipal roads; Allotment of Trade Licenses under the Prevention of Food Adulteration Act; O&M of internal sewers and community toilets; Street lighting
Lucknow Jal Sansthan (LJS)	O&M of water supply and sewerage assets; Collection of water tariff
Lucknow Development Authority (LDA)	Preparation of Master Plans for land use; Development of new areas as well as provision of housing and necessary infrastructure
District Urban Development Authority (DUDA)	Implementing agency for plans prepared by SUDA. Responsible for the field work relating to community development – focusing on the development of slum communities, construction of community toilets, assistance in construction of individual household latrines, awareness generation etc.
<b>State Level</b>	
UP Jal Nigam (UPJN)	Water supply and sewerage including design of water supply and sewerage networks. In the last two decades 'pollution control of rivers' has become one of their primary focus areas
State Urban Development Authority (SUDA)	Apex policy-making and monitoring agency for the urban areas of the state. Responsible for providing overall guidance to the District Urban Development Authority (DUDA) for implementation of community development programmes
UP Awas Vikas Parishad (UPAVP)	Nodal agency for housing in the state. Involved in planning, designing, construction and development of almost all types of urban development projects in the state. Autonomous body generating its own resources through loans from financial institutions
UP State Transport Corporation (UPSTC)	Provides intra-city and state wide public transport; maintenance of buses, bus stands
Public Works Department (PWD)	Construction of main roads and transport infrastructure including construction and maintenance of Government houses and Institutions
State Tourism Department (STC)	Promotion of tourism
Archaeological Survey of India (ASI)	Maintenance of heritage areas and monuments
UP Pollution Control Board (UPPCB)	Pollution control and monitoring especially river water quality and regulating industries
Town and Country Planning Department (TCPD)	Preparation of Town Plans including infrastructure for the state (rural and urban)
Office of Commissioner Lucknow Division	Coordination of activities of various institutions

With the multiple agencies responsible for service delivery, there is a significant level of fragmentation of governance within the city that is manifest through the overlap of roles and responsibilities and therefore wastage of resources – financial and human. For example while the UP Jal Nigam is responsible for capital investments in water and sewerage sectors and additionally manages the sewerage treatment plant in the city, the Lucknow Jal Sansthan is responsible for operations and maintenance. Similarly the LNN is responsible for the development and maintenance of roads that are less than 80 feet wide in non-LDA areas. The PWD constructs roads that are more than 80 feet wide. Along with the LDA, the UP Housing Board is responsible for developing housing stock in the city. This fragmentation of responsibilities and roles often leads to problems of management and coordination.

*Table 5.2: Roles and responsibilities across urban service delivery functions*

<b>Infrastructure/Services</b>	<b>Planning and Design</b>	<b>Construction</b>	<b>Operations and Maintenance</b>
Water Supply	UPJN, LDA, UPAVP, Private Developers	UPJN, LJS, LDA, UPAVP, Private Developers	LJS, UPAVP, Private Developers
Sewerage	UPJN, UPAVP, Private Developers	UPJN, LJS, UPAVP, Private Developers	UPJN, LJS, UPAVP, Private Developers
Drainage and storm water drains	LNN, LDA, UPAVP, Private Developers	UPJN, LNN, LJS, UPPWD, UPAVP	LNN, LDA, UPAVP
Solid Waste Collection/Disposal	LNN, LDA, UPAVP	LNN, LDA, UPAVP	LNN, LDA, UPAVP
Street lighting	LNN, LDA, UPAVP	LNN, LDA, UPAVP	LNN, LDA, UPAVP
Housing/services in slums	UPAVP, SUDA, DUDA	UPAVP, DUDA	LNN, UPAVP
Municipal roads/flyovers	LNN, UPPWD	UPPWD	LNN
Bus/truck terminals	UP State Transport Corporation	UP State Transport Corporation	UP State Transport Corporation
Conservation of Heritage areas	LDA, LNN, ASI, Tourism Department		LDA, LNN, ASI, Tourism Department

### 5.2.1 Lucknow Nagar Nigam (LNN)

The Lucknow Nagar Nigam (LNN) was formed in 1959 following the enactment of the UP Municipal Corporation Adhinyam (Act). A ‘Nagar Pramukh’ (Mayor) heads the LNN and is directly elected by the people. The state government notifies the number of ‘Sabhasads’ or Corporators and this is between 60 to 110. There are 5 to 10 nominated members and ex-officio members like the MLAs or Rajya Sabha members.

Following the enactment of the Constitution 74th Amendment Act, 1992, the State Municipal Act was amended to include all the 18 functions listed in the 12th Schedule of the Constitution within the purview of the Nigam. Implementation has however not been smooth and in a number of areas the LNN’s lack of capacity to meet the requirements of the 74th Amendment has been evident. For example:

- The powers that the LNN had with regard to the issue of building permissions have been suspended under the State Act following the 74<sup>th</sup> Amendment and have been vested in the Lucknow Development Authority.
- Fiscal dependence on higher tiers of government is high. The amounts transferred have varied considerably over the years, and flows have not been consistent. This makes planning and budgeting difficult (see Chapter 6). Poor local-level information, in turn, makes it difficult to raise revenue effectively even in areas where LNN has the statutory powers. Efficiently raising property tax for example when demographic data is weak is not possible. None of the LNN potential revenue sources – whether they are taxes, charges, loans or grants provide clear and consistent revenue streams that enables LNN to act effectively as a local government as intended by the 74<sup>th</sup> Amendment.
- Under section 147 of the Municipal Corporation Act 1959, the responsibility of keeping the accounts and their examination is with the Chief Examiner Accounts City, the Accountant General UP and Local Fund Examination Department UP. Section 153 of the Act, states that the accounting system be maintained as Single Entry system. This is at odds with the JNNURM reform requirement for double entry accounting, and an issue that would have to be placed on the LNN's reform agenda.
- Fiscal discretion at city level is constrained. Presently, the Municipal Commissioner can approve estimates of work up to Rs. 2 lakhs, the Mayor up to Rs. 4 lakhs, the Executive Council up to Rs. 8 lakhs, and the House of Municipal Corporation up to Rs. 16 lakhs.
- More recently, the political governance in LNN has become a source of major controversy when elections were delayed due to a judicial probe into issues relating to reservation of the seat of the Mayor and Deputy Mayor. The matter has now been resolved and elections are scheduled for September 2006.
- Leadership continuity has been an issue. On the one hand, unlike the practice of a shorter term (one or two years) of Mayor in most municipal Corporations in the country, the Mayor of Lucknow Corporation is elected directly for a term of five years, which certainly brings in continuity in the office. However, it has been observed that there is no fixed term for the Commissioner of the LNN and incumbents are frequently transferred. In the period 13 May 2005 to 19 June 2006, the LNN has seen 8 Commissioners, which clearly compromises continuity and strategic leadership at this level.
- In terms of some of the important provisions of the 74<sup>th</sup> Amendment, the Metropolitan Planning Committee (MPC) and Ward Committees are yet to be constituted although a notification for the constitution of the MPC has been issued. There are about 67 resident welfare associations that are functioning as ward committees by default. These Associations are very active and vocal in their dealings with the LNN.

*Table 5.3: LNN in a nutshell*

<b>Strengths</b>	<b>Opportunities</b>
<ul style="list-style-type: none"> <li>• Constitutional recognition as local government</li> <li>• Closest to the citizens</li> <li>• Elected representatives provide peoples' voice in planning and decision-making</li> <li>• High accountability as people elect the Councillors and the Mayor</li> </ul>	<ul style="list-style-type: none"> <li>• Potential for increasing revenue base from property tax and new innovative taxes such as profession tax</li> <li>• Assets could be used for leveraging capital investment</li> <li>• Increasing role in urban governance and functional responsibilities</li> <li>• Significant scope for partnership with private sector</li> </ul>
<b>Weaknesses</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Present functional responsibility very limited</li> <li>• Weak revenue base – barely adequate for meeting establishment costs</li> <li>• Partial coverage of tax base</li> <li>• Not much scope for non-tax revenue as functions that can generate revenue from user charges not assigned</li> </ul>	<ul style="list-style-type: none"> <li>• Deteriorating levels of services – rising population</li> <li>• Large number of poorly performing employees</li> <li>• Increasing number of slums</li> <li>• Low capacity of planning and management</li> </ul>

## **5.3 Water Supply and Sewerage**

### **5.3.1 UP Jal Nigam and Lucknow Jal Sansthan**

The UP Jal Nigam – a state level organization – and the Lucknow Jal Sansthan – at the city level – are responsible for water supply and sewerage. Prior to 1975, the Local Self Government Engineering Department (LSGED) of the State Government was responsible for planning, design and implementation of all public health engineering works. This Department worked with the respective Municipal bodies through their Water Works Departments that were vested with the responsibility for operations and maintenance of water supply works. In 1975, the state government passed the U.P. Water Supply and Sewerage Act while seeking a World Bank loan. Under the Act the LSGED was converted into the U.P. Jal Nigam and five Jal Sansthans were created in the five corporations of the state to replace the water works departments of the civic bodies. These two organisations were made responsible for the respective functions of LSGED and Water Works Departments and were constituted as autonomous organisations functioning in their respective areas as Local Authorities.

The UPJN is a State Government Organisation responsible for the management of water supply, sewerage and sewage treatment facilities. The main fixed assets of UPJN are the water works including hand pumps. The sewage treatment works created under Ganga Action Plan are operated and maintained by UPJN. As per the UP Water Supply and Sewerage Act, 1975 the key functions of UPJN are –

- Preparation, execution, financing and promotion of schemes of water supply and sewerage and sewage disposal.
- To render necessary services with regard to water supply and sewerage to state government bodies and ULB's and on request to private institutions.
- To prepare State Plans for water supply, sewerage and drainage.

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- To review and advise on tariff, taxes and charges on water supply.
- To access material requirements and arrange for their procurement.
- To establish state standards for water supply and sewerage services.
- To review annually the technical, financial, economic and other aspects of water supply and sewerage system of Jal Sansthan and ULB.
- To operate, run and maintain any waterworks and sewerage system on request by the state government.
- To access requirements of manpower and training in relation to water supply and sewerage services in the state.
- To carry out applied research for efficient discharge of functions of the Nigam or Jal Sansthan.

The Board of Directors at UPJN comprises the Chairman (UPJN), Managing Director (UPJN), Finance Director (UPJN) as the permanent members. The nominated members on the board include the State Principal Secretary for Urban Development, State Principal Secretary for Planning, State Principal Secretary for Finance, State Principal Secretary for Rural Development, Director (Health and Medical) and Director (Local bodies). Other invitees are the Principal Secretary Public Enterprises Bureau and Secretary Water Supply. The organisation structure of UPJN is included in **Annex 6**.

All finances for water supply and sewerage works were supposed to be delivered to U.P. Jal Nigam that provided loans to Jal Sansthans under separate agreements with them. The UPJN also had responsibility for passing the annual budgets of Jal Sansthans and for deciding on the water tariffs that were in turn ratified by the State Government. The General Manager of the Jal Sansthan used to be appointed on the recommendations of U.P. Jal Nigam by the State Government, but this was changed so that currently the State Government appoints the General Manager in the Jal Sansthan without recommendations of U.P. Jal Nigam. The idea of constituting the Jal Nigam was to generate finances for works while the Jal Sansthans were supposed to generate funds for meeting operation and maintenance costs and for the repayment of loans taken for creating new capital works.

However, the objectives behind the creation of these two institutional entities have not been met fully. The U.P. Jal Nigam depends mainly on State finances while the Lucknow Jal Sansthan is not able to generate adequate funds to create a surplus over and above the operation and maintenance costs. It effectively depends on State fiscal transfers. Despite the official intention that these two agencies should operate as autonomous entities, they continue to function as before 1975 – the U.P. Jal Nigam as a State Government Department and the Jal Sansthan as the Water Works Department. This continues to leave the process of tariff setting uncertain and confusing, which in turn makes it difficult to make the water agencies financially viable.

Additionally, the Lucknow Development Authority and the UP Housing Board that have developed several housing colonies have also planned, designed and executed various infrastructure works in the residential areas developed by them. These agencies are responsible for the maintenance of the infrastructure (including water supply and sewerage) for the initial years till the entire on site works are completed. Thereafter, the sites are handed over to the LNN and the various institutions are responsible for service provision from that point onwards. This arrangement also holds true for sites developed by private builders. The tenuous links between the various service provision entities at the planning stage makes it difficult to prepare duly for service provision in new areas – both in terms of manpower as well as capacity of the existing networks to take on additional load.

As a result of institutional fragmentation no agency has an inventory of all assets. Another problem is that in most of the newly developed areas, the water supply is mainly ground water based while the sewerage is confined only up to the main pumping station since no sewage treatment works have been executed. Thus in the absence of any comprehensive planning and execution, the capital works are decided upon randomly and not as part of a systematic program of investment and maintenance. The lack of comprehensive planning with no single agency responsible for it has resulted in most functions being 'reactive'.

*Table 5.4: Water institutions in a nutshell*

<b>Strengths</b>	<b>Opportunities</b>
<ul style="list-style-type: none"> <li>• Both UPJN and LJS are specialized agencies and therefore have high technical capacity</li> <li>• Established institutional set-up</li> <li>• Trained manpower</li> </ul>	<ul style="list-style-type: none"> <li>• Building public private partnerships in structuring water supply projects</li> <li>• Public private partnerships in billing and collection of charges</li> <li>• Improving management</li> </ul>
<b>Weaknesses</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• The weak incentives for cost recovery makes the bodies less accountable to consumers</li> <li>• Almost nil cost recovery for capital costs and inadequate cost recovery of O&amp;M through user charges</li> <li>• No power to decide user charges</li> <li>• Lack of coordination with LNN and other institutions at city and state level</li> <li>• Inadequate resources for capital investment</li> </ul>	<ul style="list-style-type: none"> <li>• Ambiguous roles and contradictions mean UPJN and LJS become less accountable by the day</li> <li>• Lack of coordination threatens sustainability of operations</li> <li>• Depleting ground water</li> <li>• Rising pollution of available sources of water particularly Gomti</li> <li>• High proportion of water wasted due to leakages</li> <li>• Loss due to pilferage</li> <li>• Deteriorating supply network</li> </ul>

## **5.4 Housing and Land Development**

### **5.4.1 Lucknow Development Authority (LDA)**

The UP Urban Planning and Development Act 1975 led to the formation of Lucknow Development Authority (LDA). The LDA is responsible for planned development of the city and surrounding notified areas. More specifically, LDA's main functions are:

- Preparation of Master Plan and Zonal Development Plans for the city;
- Regulation of building construction;
- Maintenance and improvement façade of certain buildings and abutting arterial roads;
- Acquisition, development and allotment of land;
- Construction of Housing (units/residential colonies) in conjunction with UPAVP to meet the housing demand of the growing population;
- Provision of infrastructure facilities (water-supply, sewerage, drainage, roads, bus stands etc.) as per the population needs in areas developed by it.

LDA has been actively involved in the development of a number of residential colonies in Lucknow's periphery. The LDA is governed by a board of officials headed by the Commissioner, Lucknow Division, who is the Chairman of the Authority, followed by a Vice-Chairman. Other members on the board include the - Secretary (Urban Development Department), Secretary

(Finance Department), District Magistrate, Municipal Commissioner (MCA), Chief Town and Country Planner (TCPD), Managing Director (UPJN), 4 municipal councillors and 2 to 3 nominated members. The organisational structure of the LDA is given in Annex 6.

## 5.5 UP Awas Vikas Parishad (UPAVP)

The UP Awas Vikas Parishad (UPAVP) is the nodal agency for housing in the state. It was established in April 1966 to work towards housing solutions. Besides housing projects it has diversified its activities to planning, designing, construction and development of almost all types of urban development projects through out the state. In addition, UPAVP plans and executes projects for the development of health and education. It is also handling new district head quarters projects with the execution of large number of schemes. UPAVP has constructed multi-storied office buildings and commercial towers for its own and public use. Providing public facilities is also a priority function of UPAVP. It develops market areas and convenient shopping. UPAVP also develops housing for the shelter-less. It has constructed 8480 dwelling units under “Aashraya Yojna” at different places.

The UPAVP is formally autonomous and raises its own resources by taking loans from the state government, Housing and Urban Development Corporation (HUDCO) and other financial institutions. With an estimated budgetary turnover of about Rs. 5950 millions for year 2005-06, UPAVP has a very strong finance base. UPAVP has notified 109 cities for its activities in the state. It has acquired 13500 acres of land in 78 cities where housing schemes are being developed and Lucknow is one such city.

UPAVP has specialists working in different fields viz. Architecture, Town Planning, Construction Technology, Infrastructure Design, Execution and Maintenance, Estate and Financial Management etc. The Board has Engineering and Architecture and planning wings.

There are specific rules and regulations for all activities undertaken by the UPAVP Board. All rules and regulations of the Board are made public through Gazette notifications. To look into the difficulties of the allottees and landowners etc. a public redress system known as “Parishad Bandhu” is operating since 1997. There is a face-to-face hearing and spot decision making. Institutionally, however, the UPAVP is ultimately accountable to the State Government and not to the local level.

*Table 5.5: UPAVP in a nutshell*

<b>Strengths</b>	<b>Opportunities</b>
<ul style="list-style-type: none"> <li>• Both LDA and UPAVP have technical capability for planning</li> <li>• Power to acquire land</li> <li>• Development grants from state</li> </ul>	<ul style="list-style-type: none"> <li>• Mandate for planned development of the city</li> <li>• Scope for closer cooperation with other agencies</li> </ul>
<b>Weaknesses</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Planning process of LDA is slow and lacks citizens’ involvement</li> <li>• Bias towards physical planning and less attention to socio-economic aspects</li> <li>• Focus on land development, distribution, and housing activities</li> <li>• No systematic approach to private sector engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Unauthorized and haphazard housing development particularly on periphery of city</li> <li>• Private developers do not provide adequate infrastructure</li> <li>• Increasing number of poor in the city</li> <li>• Unauthorised occupation of land assets by vested interest and urban poor</li> </ul>

## **5.6 Public Works Department (PWD)**

The State PWD is primarily responsible for construction and maintenance of roads, state government institutions and state government housing in the city. Central Public Works Department is responsible for the construction and maintenance of only central government buildings and institutions.

The PWD operates under the State PWD Minister and State-level Secretary and Principal Secretary. A Superintending Engineer (SE) heads the PWD at the district level with some SE's heading multiple districts. An Executive Engineer heads every three to four election constituencies. The PWD has total administrative and technical staff strength of around 250 up to the Junior Engineer level and around 3000 workers and sub-staff in the entire state.

The PWD is responsible for the maintenance of the main city roads with the LNN responsible for the internal roads. There are no criteria for categorising the roads to be maintained by PWD or LNN. The District Magistrate assigns the responsibility to either of the departments based on the primacy of the road stretch.

### **5.6.1 Key Issues**

- The absence of criteria for classification of roads to be maintained by the LNN and the PWD is not an enabling framework for efficient functioning by either agency.
- As a corollary to the above, neither agency is able to plan its work in advance leading to a reactive mode of functioning. This inability to plan effectively is part of wider problem of state and city agencies not planning and coordinating on a systematic basis.

## **5.7 Basic Services for the Urban Poor**

### **5.7.1 State Urban Development Authority (SUDA)**

The State Urban Development Authority (SUDA) is the apex, policy making and monitoring agency for the development of slum areas in the state. SUDA provides overall guidance to the District Urban Development Authority (DUDA) for implementation of community development programmes related to housing, water and sanitation for urban poor in Lucknow, construction of drains and small bore sewers in slums, up-gradation of streets and roads, and coordination with Community Development Societies (CDSs) for awareness building and community participation. SUDA also executes various government schemes for urban renewal like the Balmiki Ambedkar Awas Yojana, Integrated Urban Slum Sewerage Plan, National Slum Development Programme, and Golden Jubilee Urban Employment Scheme etc.

The State Secretary for Urban Employment and Poverty Alleviation is appointed as Chairman SUDA and is responsible for the acceptance and approval of all the schemes being implemented by SUDA. Other members in SUDA are Secretaries for Health, Education, Urban Development, Housing, Youth-development and Social Development. SUDA operates through a series of community structures like Community Development Societies (CDSs)(1350 in the State); neighbourhood committees (NHCs) (10009 in the state); and neighbourhood groups (100963 in state). Significantly though, the LNN has no official place in this consultation system.

All programmes implemented by SUDA are executed through the involvement of beneficiaries.

### 5.7.2 District Urban Development Authority (DUDA)

The District Urban Development Authority (DUDA) has been constituted to ensure effective execution of the SUDA undertakings in all the districts of the state. DUDA members include the District Magistrate as Chairman DUDA, Municipal Commissioner as Vice Chairman DUDA and other district level officers. It is primarily responsible for works relating to community development in the respective districts of the state, which includes development of slum communities, construction of community toilets, assistance in construction of household latrines, creation of awareness etc. DUDA also works for the provision of sewers, tube-wells etc in slum localities. The assets thus created are finally handed over to the Jal Sansthan for maintenance. DUDA has also taken up a series of activities for infrastructure improvement in slums. It had initiated a five-year programme in 2002 targeting “Slum Free Lucknow” by 2007. This programme proposes to utilize funds from the Valmiki Ambedkar Awas Yojana, Integrated Urban Slum Sewerage Plan and National Slum Development Programme for improving basic services and housing and related infrastructure in the city slums. DUDA elicits the assistance of Community Development Societies (CDSs) for community participation in the various initiatives undertaken by it.

*Table 5.6: SUDA and DUDA in a nutshell*

<b>Strengths</b>	<b>Opportunities</b>
<ul style="list-style-type: none"> <li>• Specialised agencies working closely with the urban poor</li> <li>• Good networking with NGOs</li> <li>• Involvement of community groups in the functioning</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership with private developers for land sharing</li> <li>• Willingness of the urban poor to contribute</li> <li>• Involvement of communities in the O&amp;M of services and collection of user charges</li> </ul>
<b>Weaknesses</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Inadequate resources for provision of basic services to the poor and in-situ upgrading</li> <li>• Non-availability of land for relocation of slums</li> <li>• Accountable to the State Government, not local government</li> </ul>	<ul style="list-style-type: none"> <li>• Ever increasing number of slums</li> <li>• Unauthorised occupation of land by poor with the involvement of vested interests</li> </ul>

### 5.7.3 Key Issues

- The foremost feature of the institutional environment is the multiplicity of agencies involved in urban governance, regulation and provision of infrastructure and services. The Lucknow Nagar Nigam (LNN), Lucknow Jal Sansthan (LJS), Lucknow Development Authority (LDA) and UP Jal Nigam (UPJN) are designated as the key urban service providers, but several other agencies are also involved – including the Housing Board, Central and State Public Works Departments (CPWD and PWD), Transport Department, Industries Department and the Department of Environment. This fragmentation makes it difficult to hold agencies clearly responsible, and it necessitates special effort to coordinate investment, development and planning.
- The main institution at the third tier of the government, the LNN, is weak. It has been assigned several formal powers, but in practice it has little autonomy. The State Government appoints the Municipal Commissioner, and the LNN is fiscally dependent on the state. One of the major consequences of the lack of local powers has been the lack of continuity in the leadership of LNN as Corporation Commissioners are frequently transferred. This makes long-term management difficult and the LNN is thus devoid of one of the critical elements of

sustainable leadership. It is recognised by the administrators and policy makers in the state that the provisions of the 74th Amendment Act need to be concretized and fiscal dependence on the State reduced.

- LNN’s capacity to effectively perform the functions envisaged in the 12th Schedule of the Constitution is limited. A thorough organizational review is advised as the basis for immediate steps that would significantly build the capacity of the corporation, and that would consider the LNN’s powers relative to those of other agencies. A restructured institutional framework could provide a new more dynamic context within which to conduct training of officials and supporting staff, building information and management systems as outlined in the JNNURM list of mandatory reforms, and address specific issues of service delivery and governance. It is advisable to undertake such a review once an elected body is in place again, as it does require a matching of political and technical considerations to make local government duly accountable.
- The LDA, like all other city development authorities in the country, has tended to focus on government real estate management, rather than citywide development planning. If a comprehensive development strategy is to be achieved, it will be necessary to undertake planning on a wider scale, and to explore institutional options that would help locate the planning function within the ambit of the governance arrangements for the city. No planning or development agencies can achieve this unless they are linked into the local system of governance.
- In the current institutional framework, the roles of policy maker and service provider are fused in many respects, and the prominent role of state agencies like the UP Jal Nigam dilutes the accountability of local bodies. These institutional ambiguities and overlaps were cited at several of the CDP consultations, and the need for more streamlined and coordinated arrangements stressed. In part this may require merging some of the existing bodies, but the more significant issue is to clarify the roles and responsibilities more clearly. This is the core basis for accountable service delivery.

**SUMMARY**

There are many agencies and institutions responsible for service delivery in urban areas. Functional overlaps, and fusion of policy, regulatory and operational roles are common, which makes it difficult to hold institutions and individuals accountable.
Local level institutions have limited autonomy given that they are heavily dependent on the state for financial support, and many management decisions are taken at state level – including the appointment of senior officials.
In the current situation, the Lucknow Nagar Nigam is too weak to perform its key role in carrying forward the JNNURM,. Substantial capacity building and strengthening will be a prerequisite in empowering the institution with the necessary skills to take the city into the future.
There is limited/no coordination between various agencies especially at the planning stage.
RWA’s and slum based groups’ function as ‘ward committees’ by default, which leaves a need for a more systematic effort to create instruments for citizen involvement in urban governance processes.