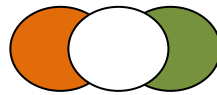


**Post Graduate Certificate Course in Health System and Management - 2013**



## Module 2: Chapter 6.B

**INTRODUCTION TO HEALTH SYSTEM IN INDIA – DECENTRALISED HEALTH  
ADMINISTRATION BY LOCAL SELF GOVERNMENT**



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**Indian Association of Preventive and Social Medicine  
Gujarat Chapter**

## Local Self Government for Rural & Urban areas

Since PRI are involved in management of health services we here provide a short introduction about PRI.

### RURAL AREAS

The **panchayat raj**" is a South Asian political system mainly in India, Pakistan, Bangladesh and Nepal . It is the oldest system of local government in the Indian subcontinent. The word "panchayat" literally means "assembly" (*ayat*) of five (*panch*) wise and respected elders chosen and accepted by the local community. However, there are different forms of assemblies. Traditionally, these assemblies settled disputes between individuals and villages. Modern Indian government has decentralized several administrative functions to the local level, empowering elected gram panchayats. Gram panchayats are not to be confused with the unelected khap panchayats (or caste panchayats) found in some parts of India.

### Recommendations of Balwant Rai Mehta Committee

The Balwant Rai Mehta Committee was a committee appointed by the Government of India in January 1957 to examine the working of the Community Development Programme (1952) and the National Extension Service (1953) and to suggest measures for their better working. The recommendations of the committee were approved by NDC in January 1958 and this set the stage for the launching of Panchayati Raj Institutions throughout the country. The committee recommended the establishment of the scheme of 'democratic decentralisation' which finally came to be known as Panchayati Raj. (i) Establishment of a 3-tier Panchayati Raj system - Gram Panchayat at the village level, Panchayat Samiti at the block level, and Zila Parishad at the district level. This system was adopted by state governments during the 1950s and 60s, as laws were passed to establish panchayats in various states. It also found backing in the Indian Constitution, with the 73rd amendment in 1992 to accommodate the idea. The Amendment Act of 1992 contains provision for devolution of powers and responsibilities to the panchayats both for the preparation of economic development plans and social justice, as well as for implementation in relation to 29 subjects listed in the eleventh schedule of the constitution.

The panchayats receive funds from three sources:

1. Local body grants, as recommended by the Central Finance Commission
2. Funds for implementation of centrally sponsored schemes
3. Funds released by the state governments on the recommendations of the State Finance Commissions

In the history of Panchayati Raj in India, on 24 April 1993, the Constitutional (73rd Amendment) Act 1992 came into force to provide constitutional status to the Panchayati Raj institutions. This act was extended to Panchayats in the tribal areas of eight states, namely Andhra Pradesh, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Odisha and Rajasthan starting 24 December 1996. Currently, the Panchayati Raj system exists in all the states except Nagaland, Meghalaya and Mizoram, and in all Union Territories except Delhi.

**The Balwant Rai Mehta Committee** was a committee appointed by the Government of India in January 1957 to examine the working of the Community Development Programme (1952) The Act aims to provide a 3-tier system of Panchayati Raj for all States having a population of over 2 million, to hold Panchayat elections regularly every 5 years, to provide seats reservations for scheduled castes, scheduled tribes and women; to appoint a State Finance Commission to make recommendations as regards to the financial powers of the Panchayats and to constitute a District Planning Committee to prepare a development plan draft for the district.

The 3-tier system of Panchayati Raj consists:

1. Village-level Panchayats
2. Block-level Panchayats
3. District-level Panchayats.

Powers and responsibilities are delegated to panchayats at the appropriate level:

- Preparation of the economic development plan and social justice plan.
- Implementation of schemes for economic development and social justice in relation to 29 subjects given in the Eleventh Schedule of the Constitution.
- To levy and collect appropriate taxes, duties, tolls and fees.

### ***Gram Sabha:***

In most of the states, each constituency of the members of the Gram Panchayat is called the **Gram Sabha** and all the voters of the same constituency are members of this body. However, in some states this is called Ward Sabha/Palli Sabha etc. In West Bengal it is called *Gram Sansad* (village parliament). Gram Sabha in West Bengal has a different meaning. Here all the voters of the Gram Panchayat as a whole constitute the Gram Sabha.

Under the Constitution there can be only three tiers of the Panchayat. *The Gram Sabha is not a tier of the PR system.* It does not have any executive function and operates as a recommending body only.

Gram Sabhas hold meetings normally 2 to 4 times a year, but can meet as and when necessary. In some states dates of these meetings are fixed (Madhya Pradesh, Gujarat etc.) while in others dates are fixed by the Gram Panchayats. Issues to be discussed in the meetings can be wide ranging but the essential agenda should include: Annual Action Plan and Budget, Annual Accounts and Annual report of the GP, selection of beneficiaries for different social service programmes (Indira Awas Yojana (IAY), Pension Schemes etc.), identification of schemes for preparation of Annual Plan for development programmes (e.g. MGNREGS) of GP, consideration of the Audit reports, analyses of GP's performance etc.

### ***Gram Panchayat:***

A Gram as defined under the Act (meaning a village or a cluster of villages) is divided into a minimum of five constituencies (again depending on the number of voters the Gram is having). From each of these constituencies one member is elected. Body of these elected members is called the Gram Panchayat. Size of the GPs varies widely from

state to state. In states like West Bengal, Kerala etc. a GP has about 20000 people on an average, while in many other states it is around 3000 only.

## **Block panchayat**

A block panchayat (*panchayat samiti*) is a local government body at the tehsil or taluka level in India. This body works for the villages of the tehsil or taluka that together are called a Development Block. The panchayat samiti is the link between the gram panchayat and the district administration. There are a number of variations of this institution in different states. It is known as Mandal Praja Parishad in Andhra Pradesh, Taluka panchayat in Gujarat, Mandal Panchayat in Karnataka, Panchayat Samiti in Maharashtra etc. In general, the block panchayat is a form of the Panchayati raj but at a higher level.

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## **Constitution**

The constitution is composed of ex-official members (all sarpanchas of the panchayat samiti area, the MPs and MLAs of the area and the SDO of the subdivision), co-opt members (representatives of SC/ST and women), associate members (a farmer of the area, a representative of the cooperative societies and one of the marketing services), and some elected members.

The samiti is elected for 5 years and is headed by the Chairman and the Deputy Chairman.

## **Departments**

The common departments in the Samiti are as follows:

1. General administration
2. Finance
3. Public work
4. Agriculture
- 5. Health**
6. Education
7. Social welfare
8. Information technology and others.

There is an officer for every department. A government appointed Block Development Officer (BDO) is the executive officer to the Samiti and the chief of its administration.

## **Functions**

1. Implementation schemes for the development of agriculture.
2. Establishment of primary health centres and primary schools.
3. Supply of drinking water, drainage, and construction/repair of roads.
4. Development of cottage and small-scale industries, and the opening of cooperative societies.
5. Establishment of youth organisations.

## Sources of income

The main source of income of the panchayat samiti are grants-in-aid and loans from the State Government.

## District level panchayat

The governing system at district level in Panchayat Raj is also popularly known as "Zila Parishad". Chief of administration is an officer from IAS cadre - collector.

Functions:

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1. Provide essential services and facilities to the rural population
2. Supply improved seeds to farmers. Inform them of new farming techniques
3. Set up and run schools and libraries in the rural areas
4. Start Primary Health Centers and hospitals in villages. Start vaccination drives against epidemics
5. Execute plans for the development of the scheduled castes and tribes. Run ashramshalas for adivasi children. Set up free hostels for them
6. Encourage entrepreneurs to start small-scale industries and implement rural employment schemes
7. Construct bridges, roads & other public facilities and their maintenance
8. Provide employment

Sources of Income:

1. Taxes on water, pilgrimage, markets, etc.
2. Fixed grant from the State Government in proportion with the land revenue and money for works and schemes assigned to the Parishad.

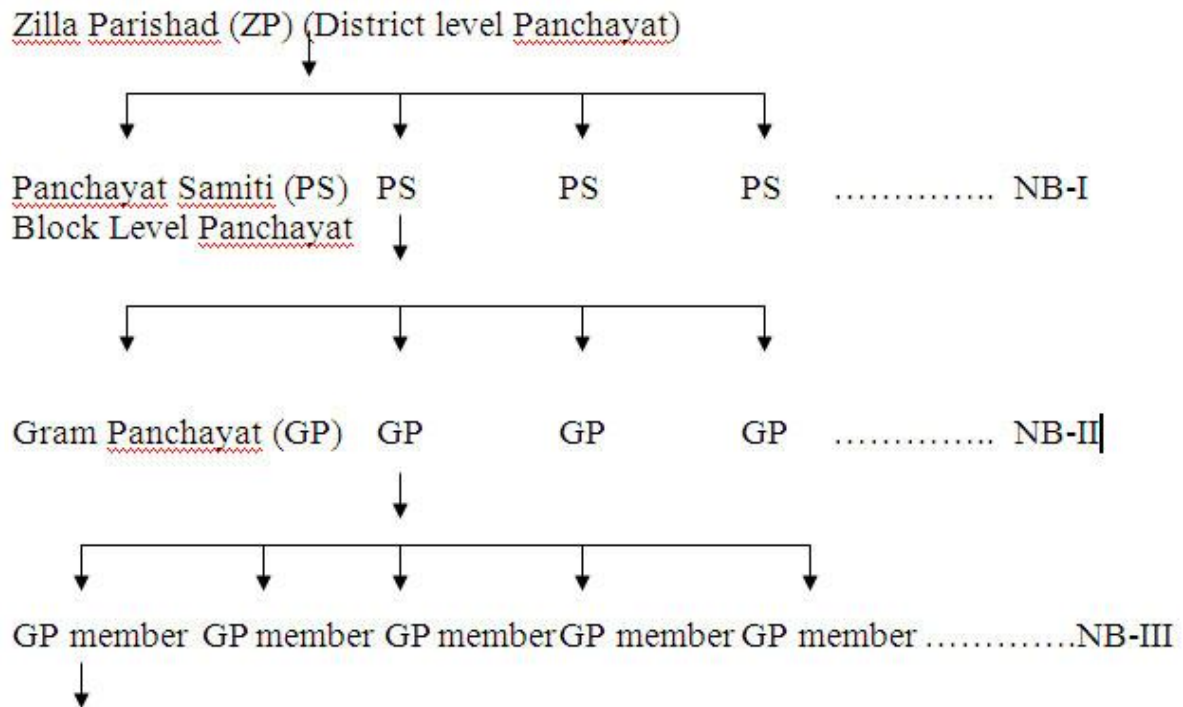
The functions of Panchayats are divided among different Committees (as ministries are formed in state and union governments), which are called Standing Committees/Sthayee Samitis/Upa Samitis etc. One of the members remains in charge of each of such committees while the over-all charge rests with the chairperson of the Panchayat. Panchayats are supported by a host of other officials, the number of which varies from state to state.

## Reservation for women in PRIs in India

The Union Cabinet of the Government of India, on 27 August 2009, approved 50% reservation for women in PRIs (Panchayati Raj NIJO Institutions). The Indian states which have already implemented 50% reservation for women in PRIs are Madhya Pradesh, Bihar, Uttarakhand and Himachal Pradesh. As of 25 November 2011, the states of Andhra Pradesh, Chhatisgarh, Jharkhand, Kerala, Maharashtra, Orissa, Rajasthan and Tripura also reserve 50% of their posts for women

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The diagram at the end of the note demonstrates the typical structure of the rural local governance system in India.



### Urban areas

According to Census of India, 1991, there are 3255 Urban Local Bodies (ULB) in the country; classified into four major categories of

1. Municipal corporations
2. Municipalities (*municipal council, municipal board, municipal committee*)
3. Town area committees
4. Notified area committees

The municipal corporations and municipalities are fully representative bodies, while the notified area committees and town area committees are either fully or partially nominated bodies.

As per the Indian Constitution, 74th Amendment Act of 1992, the latter two categories of towns are to be designated as municipalities or nagar panchayats with elected bodies. Until the amendments in state municipal legislations, which were mostly made in 1994, municipal authorities were organised on an Latin: *ultra vires* (beyond the authority) basis and the state governments were free to extend or control the functional sphere through executive decisions without an amendment to the legislative provisions.

After the 74th Amendment was enacted there are only three categories of urban local bodies:

- Nagar nigam (*municipal corporation*)
- Nagar palika (*municipality*)
- Nagar panchayat (*city council*)

This article provides that there be a Nagar panchayat for transitional areas i.e. an area in transition from rural to urban, a municipality for a smaller urban area and a municipal corporation for a larger urban area. Article 243Q of the 74th Amendment requires that municipal areas shall be declared having regard to the population of the area, the density of population therein, the revenue generated for local administration, the percentage of employment in non-agricultural activities, the economic importance or such other factors as may be specified by the state government by public notification for this purpose.

Among all urban local governments, municipal corporations enjoy a greater degree of fiscal autonomy and functions although the specific fiscal and functional powers vary across the states, these local governments have larger populations, a more diversified economic base, and deal with the state governments directly. On the other hand, municipalities have less autonomy, smaller jurisdictions and have to deal with the state governments through the Directorate of Municipalities or through the collector of a district. These local bodies are subject to detailed supervisory control and guidance by the state governments.

#### Responsibilities of ULBs

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The municipal bodies of India are vested with a long list of functions delegated to them by the state governments under the municipal legislation. These functions broadly relate to public health, welfare, regulatory functions, public safety, public infrastructure works, and development activities.

Public health includes Water supply, Sewerage and Sanitation, eradication of communicable diseases etc.; welfare includes public facilities such as Education, recreation, etc.; regulatory functions related to prescribing and enforcing Building regulations, encroachments on public land, Birth registration and Death certificate, etc.; public safety includes Fire protection, Street lighting, etc.; public works measures such as construction and maintenance of inner city roads, etc.; and development functions related to Town planning and development of commercial markets. In addition to the legally assigned functions, the sectoral departments of the state government often assign unilaterally, and on an agency basis, various functions such as Family planning, Nutrition and slum improvement, disease and Epidemic control, etc.

The Twelfth Schedule of Constitution (Article 243 w) provides an illustrative list of *eighteen functions* that may be entrusted to the municipalities.

Besides the traditional core functions of municipalities, it also includes development functions like planning for Economic development and Social justice, urban poverty alleviation programs and promotion of cultural, educational and aesthetic aspects. However, conformity legislation enacted by the state governments indicate wide variations in this regard. Whereas Bihar, Gujarat, Himachal

Pradesh, Haryana, Manipur, Punjab and Rajasthan have included all the functions as enlisted in the Twelfth Schedule in their amended state municipal laws, Andhra Pradesh has not made any changes in the existing list of municipal functions. Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal states have amended their municipal laws to add additional functions in the list of municipal functions as suggested in the twelfth schedule.

There is a lot of difference in the assignment of obligatory and discretionary functions to the municipal bodies among the states. Whereas functions like planning for the social and economic development, urban forestry and protection of the environment and promotion of ecological aspects are obligatory functions for the municipalities of Maharashtra, in Karnataka these are discretionary functions.

Provision of water supply and sewerage in several states has either been taken over by the state governments or transferred to state agencies. For example in Tamil Nadu, Madhya Pradesh and Gujarat, water supply and sewerage works are being carried out by the state level Public Health Engineering Department or Water Supply and Sewerage Boards, while liability for repayment of loans and maintenance are with the municipalities. Besides these state level agencies, City Improvement Trusts and Urban Development Authorities, like Delhi Development Authority (DDA), have been set up in a number of cities. These agencies usually undertake land acquisition and development works, and take up remunerative projects such as markets and commercial complexes, etc. The Municipal bodies in most cases have been left only with the functions of garbage collection, garbage disposal, street lighting, construction and maintenance of roads, etc.

In terms of fiscal federalism, functions whose benefits largely confine to municipal jurisdictions and may be termed as the *essentially municipal* functions. Similarly, functions that involve substantial economics of scale or are of national interest may not be assigned to small local bodies. For valid reasons, certain functions of higher authorities are appropriate to be entrusted with the Municipalities – as if under principal-agent contracts and may be called *agency* functions that need to be financed by intergovernmental revenues. Thus instead of continuing the traditional distinction between *obligatory* and *discretionary* functions the municipal responsibilities may be grouped into *essentially municipal, joint* and *agency* functions.



### Suggested municipal functions

The suggested functions to municipal corporations, municipalities and nagar panchayats are listed in the table below.

Essentially Municipal Functions	Municipal Corporation	Municipal Council	nagar panchayat
Urban planning including town planning	Yes	Yes	Yes
Regulation of land-use and construction of buildings	Yes	Yes	Yes
Planning for economic and social development	Yes	Yes	Yes
Roads and bridges	Yes	Yes	Yes
Water supply domestic, Industrial and commercial purposes	Yes	Yes	Yes
Public health, sanitation, conservancy and solid waste management	Yes	Yes	Yes
Fire services	Yes	Yes	No
Urban forestry	Yes	Yes	Yes
<b>Preventive Health Care</b>	Yes	Yes	Yes

Provision of urban amenities and facilities such as parks, gardens, playgrounds	Yes	Yes	Yes
Burials and burial grounds, cremations, cremation ghats/grounds and electric crematoria	Yes	Yes	Yes
Cattle pounds, prevention of cruelty to animals	Yes	Yes	Yes
<b>Vital statistics including registration of births and deaths</b>	Yes	Yes	Yes
Street lighting	Yes	Yes	Yes
Parking lots, bus stops and public conveniences	Yes	Yes	Yes
Regulation of slaughter houses and tanneries	Yes	Yes	Yes
Slum improvement and up gradation	Yes	Yes	Yes
<b>Agency Functions</b>			
Protection of the environment and promotion of ecological	Yes	Yes	Yes

aspects			
Safeguarding the interests of weaker sections of society, including the handicapped and the mentally retarded	Yes	Yes	Yes
Urban poverty alleviation	Yes	Yes	Yes
Promotion of cultural, education and aesthetic aspects	Yes	Yes	Yes
Primary Education	Yes	Yes	No
Primary Health Care	Yes	Yes	No

#### Nagar nigam (municipal corporation)

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nagar nigam a.k.a. (*Municipal Corporation*) in India are state government formed departments that works for the development of a city, which has a population of more than 1 Million. The growing population and urbanisation in various cities of India were in need of a local governing body that can work for providing necessary community services like health centres, educational institutes and housing and property tax.

They are formed under the Corporations Act of 1835 of panchayati raj system which mainly deals in providing essential services in every small town as well as village of a district/city. Their elections are held once in five year and the people choose the candidates. The largest corporations are in the four metropolitan cities of India, namely Delhi, Mumbai, Kolkata and Chennai. These cities not only have a large population, but are also the administrative as well as commercial centres of the country.

#### Nagar panchayat (city council)

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A nagar panchayat is an urban local body in India comparable to a Municipality.

An urban centre with more than 30,000 and less than 100,000 inhabitants is classified as a nagar panchayat.