

## Sixth Report of the Second Administrative Reforms Commission “Local Governance – An Inspiring Journey into the Future”

### List of Recommendations of Administrative Reforms Commission on which States/UTs have to take action

Recommendations made by Administrative Reforms Commission and accepted by the Government of India	Action to be taken
<p><b>4. (Para 3.2.1.12) The Electoral Process</b></p> <p>a. The task of delimitation and reservation of constituencies should be entrusted to the State Election Commissions (SECs);(11)</p> <p>b. Local government laws in all States should provide for adoption of the Assembly electoral rolls for local governments without any revision of names by SECs. For such a process to be effective it is necessary to ensure that the voter registration and preparation of electoral rolls by Election Commission of India is based on geographic contiguity. Similarly the electoral divisions for elections to local bodies should follow the Building Blocks approach;(12)</p> <p>c. The Registration of Electors Rules, 1960, should be amended to define a ‘Part’ as a compact geographical unit.(13)</p> <p>d. In order to achieve convergence between census data and electoral rolls, the boundaries of a ‘Part’ and an ‘Enumeration Block’ should coincide.(14)</p> <p>e. Reservation of seats should follow any one of the two principles mentioned below (15)</p> <p>i. In case of single-member constituencies, the rotation can be after at least 2 terms of 5 years each so that there is possibility of longevity of leadership and nurturing of constituencies.</p> <p>f. The conduct of elections for the elected members of District and Metropolitan Planning Committees should be entrusted to the State Election Commission.(16)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>
<p><b>5. (Para 3.2.2.6) Constitution of the State Election Commission</b></p> <p>a. The State Election Commissioner should be appointed by the Governor on the recommendation of a collegium, comprising the Chief Minister, the Speaker of the State Legislative Assembly and the Leader of Opposition in the Legislative Assembly.(17)</p> <p>b. An institutional mechanism should be created to bring the Election Commission of India and the SECs on a common platform for coordination, learning from each other’s experiences and sharing of resources.(18)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>
<p><b>7. (Para 3.3.1.7) Devolution of Powers and Responsibilities</b></p> <p>a. There should be clear delineation of functions for each level of local government in the case of each subject matter law. This is not a one-time exercise and has to be done continuously while working out locally relevant socio-economic programmes, restructuring organisations and framing subject-matter laws.(20).</p> <p>b. Each subject-matter law, which has functional elements that are best attended to at local levels, should have provision for appropriate devolution to such levels – either in the law or in subordinate legislation. All the relevant Union and State laws have to be reviewed urgently and suitably amended.(21)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>

<p>c. In the case of new laws, it will be advisable to add a 'local government memorandum' (on the analogy of financial memorandum and memorandum of subordinate legislation) indicating whether any functions to be attended to by local governments are involved and if so, whether this has been provided for in the law.(22)</p> <p>d. In case of urban local bodies, in addition to the functions listed in the Twelfth Schedule, the following should be devolved to urban local bodies:  - School education;  - Public health, including community health centres/area hospitals;  - Traffic management and heritage; and  - Land management, including registration.  These, however, are only illustrative additional functions and more such functions could be devolved to urban local bodies by the respective States (23)</p>	
<p><b>9. (Para 3.5.2.18) The State Finance Commission (SFC)</b></p> <p>a. This Commission endorses and reiterates the views of the Twelfth Finance Commission regarding the working of the SFCs as listed in paragraph 3.5.2.8.(25)</p> <p>b. Article 243 I (1)of the Constitution should be amended to include the phrase "at such earlier time" after the words "every fifth year".(26)</p> <p>c. Each State should prescribe through an Act, the qualifications of persons eligible to be appointed as Members of the State Finance Commission.(27)</p> <p>d. SFCs should evolve objective and transparent norms for devolution and distribution of funds. The norms should include area-wise indices for backwardness. State Finance Commissions should link the devolution of funds to the level/quality of civic amenities that the citizens could expect. This could then form the basis of an impact evaluation.(28)</p> <p>e. The Action Taken Report on the recommendations of the SFC must compulsorily be placed in the concerned State Legislature within six months of submission and followed with an annual statement on the devolution made and grants given to individual local bodies and the implementation of other recommendations through an appendix to the State budget documents.(29)</p> <p>f. Incentives can be built into devolution from the Union to the States to take care of the need to improve devolution from the States to the third tier of governments.(30)</p> <p>g. Common formats, as recommended by the Twelfth Finance Commission (TFC) must be adopted, and annual accounts and other data must be compiled and updated for use by the SFCs.(31)</p> <p>h. SFCs should carry out a more thorough analysis of the finances of local bodies and make concrete recommendations for improvements in their working. In case of smaller local bodies such recommendations could be broad in nature, but in case of larger local bodies, recommendations should be more specific. With historical data being available with the SFC, and with the improvement in efficiency of data collection, the SFC would be in a position to carry out the required detailed analysis. The special needs of</p>	<p>(a) The State/UT Governments have to take further action as per the recommendations.</p> <p>(b) States have to set up State Finance Commissions to synchronize with the Central Finance Commission.</p> <p>(c to j) The State/UT Govts are required to offer their comments in this regard and if found suitable, implement the same.</p>

<p>large urban agglomerations particularly the Metropolitan cities should be specially addressed by the SFC.(32)</p> <p>i. SFCs should evolve norms for staffing of local bodies.(33)</p> <p>j. It is necessary that a mechanism be put in place which reviews the implementation of all the recommendations of the SFCs. If considered necessary, devolution of funds could be made conditional to local bodies agreeing to implement the recommendations of the SFCs.(34)</p>	
<p><b>10. (Para 3.6.16) Capacity Building for Self Governance</b></p> <p>a. Capacity building efforts in rural and urban local self governing institutions must attend to both the organisation building requirements as also the professional and skills upgradation of individuals associated with these bodies, whether elected or appointed. Relevant Panchayat and Municipal legislations and manuals framed there under must contain clear enabling provisions in this respect. There should be special capacity building programmes for women members.(35)</p> <p>b. State Governments should encourage local bodies to outsource specific functions to public or private agencies, as may be appropriate, through enabling guidelines and support. Outsourcing of activities should be backed by development of in-house capacity for monitoring and oversight of outsourced activities. Likewise, transparent and fair procurement procedures need to be put in place by the State Government to improve fiscal discipline and probity in the local bodies.(36)</p> <p>c. Comprehensive and holistic training requires expertise and resources from various subject matter specific training institutes. This can be best achieved by 'networking' of institutions concerned with various subjects such as financial management, rural development, disaster management and general management. This should be ensured by the nodal agencies in State Governments.(37)</p> <p>d. As an aid to capacity building, suitable schemes need to be drawn up under State Plans for Rural and Urban Development for documentations of case studies, best practices and evaluation with reference to the performance of the prescribed duties and responsibilities of such bodies.(38)</p> <p>e. Training of elected representatives and personnel should be regarded as a continuing activity. Expenditure requirement on training may be taken into account by the State Finance Commissions while making recommendations.(39)</p> <p>f. Academic research has a definite role to play in building long-term strategic institutional capacity for greater public good. Organisations like the Indian Council of Social Science Research must be encouraged to fund theoretical, applied and action research on various aspects of the functioning of local bodies.(40)</p> <p>g. A pool of experts and specialists (e.g. engineers, planners etc.) could be maintained by a federation/consortium of local bodies. This common pool could be then accessed by the local bodies whenever required for specific tasks.(41)</p>	<p>The State/UT Govts have to take further action as per the recommendations.</p>
<p><b>11. (Para 3.7.5.6) Decentralised Planning</b></p> <p>b. In the interim and in accordance with the present constitutional scheme,</p>	<p>The Planning Commission of</p>



<p>bodies falling within the extended metropolitan region concerned.(53)</p> <p>e. The monopoly role of Development Authorities (DAs) in development of land for urban uses, wherever it exists, should be done way with. However, public agencies should continue to play a major role in development of critical city level infrastructure as well as low cost housing for the poor. For this purpose, the engineering and land management departments of the DAs should be merged with the concerned Municipality/ Corporation.(54)</p>	
<p><b>12. (Para 3.8.6) Accountability and Transparency</b></p> <p>a. Audit committees may be constituted by the State Governments at the district level to exercise oversight regarding the integrity of financial information, adequacy of internal controls, compliance with the applicable laws and ethical conduct of all persons involved in local bodies. These committees must have independence, access to all information, ability to communicate with technical experts, and accountability to the public. For Metropolitan Corporations, separate audit committees should be constituted. Once the District Councils come into existence, a special committee of the District Council may examine the audit reports and other financial statements of the local bodies within the district. Such committee may also be authorised to fix responsibility for financial lapses. In respect of the audit reports of the District Council itself, a special committee of the Legislative Council may discharge a similar function.(55)</p> <p>b. There should be a separate Standing Committee of the State Legislature for the local Bodies. This Committee may function in the manner of a Public Accounts Committee.(56)</p> <p>c. A local body Ombudsman should be constituted on the lines suggested below. The respective State Panchayat Acts and the Urban local Bodies Acts should be amended to include provisions pertaining to the local body Ombudsman.</p> <p>i. Local body Ombudsman should be constituted for a group of districts to look into complaints of corruption and maladministration against functionaries of local bodies, both elected members and officials. For this, the term 'Public Servant' should be defined appropriately in the respective State legislations.</p> <p>ii. Local body Ombudsman should be a single member body appointed by a Committee consisting of the Chief Minister of the State, the Speaker of the State Legislative Assembly and the Leader of the Opposition in the Legislative Assembly. The Ombudsman should be selected from a panel of eminent persons of impeccable integrity and should not be a serving government official.</p> <p>iii. The Ombudsman should have the authority to investigate cases and submit reports to competent authorities for taking action. In case of complaints and grievances regarding corruption and maladministration against local bodies in general and its elected functionaries, the local body Ombudsman should send its report to the Lokayukta who shall forward it to the Governor of the State with its recommendations. In case of disagreement with the recommendations of the Ombudsman, the reasons must be placed in the public domain.</p> <p>iv. In case of a Metropolitan Corporations, a separate Ombudsman should be constituted.</p> <p>v. Time limits may be prescribed for the Ombudsman to complete its investigations into complaints.(57)</p> <p>d. In case of complaints and grievances related to infringement of the law governing elections to these local bodies, leading to suspension/ disqualification of membership, the authority to investigate should lie with the State Election</p>	<p>The State/UT Governments have to take further action as per the recommendations. However, they are advised not to consider the constitution of the District Councils as it would alter the existing structure of PRIs.</p>

<p>Commission who shall send its recommendations to the Governor of the State.(58)</p> <p>e. In the hierarchy of functionaries under the control of local bodies, functions should be delegated to the lowest appropriate functionary in order to facilitate access to citizens.(59)</p> <p>f. Each local body should have an in-house mechanism for redressal of grievances with set norms for attending and responding to citizens' grievances.(60)</p> <p>g. For establishing robust social audit norms, every State Government must take immediate steps to implement the action points suggested in para 5.9.5 of the Report of the Expert Group on 'Planning at the Grass roots Level'.(61)</p> <p>h. It should be ensured that suo motu disclosures under the Right to Information Act, 2005 should not be confined to the seventeen items provided in Section 4(1) of that Act but other subjects where public interest exists should also be covered.(62)</p> <p>i. A suitable mechanism to evolve a system of benchmarking on the basis of identified performance indicators may be adopted by each State. Assistance of independent professional evaluators may be availed in this regard.(63)</p> <p>j. Evaluation tools for assessing the performance of local bodies should be devised wherein citizens should have a say in the evaluation. Tools such as 'Citizens' Report Cards' may be introduced to incorporate a feedback mechanism regarding performance of local bodies.(64)</p>	
<p><b>13. (Para 3.9.22) Accounting and Audit</b></p> <p>a. The accounting system for the urban local bodies (ULBs) as provided in the National Municipal Accounts Manual (NMAM) should be adopted by the State Governments.(65)</p> <p>b. The financial statements and balance sheet of the urban local bodies should be audited by an Auditor in the manner prescribed for audit of Government Companies under the Companies Act, 1956 with the difference that in the case of audit of these local bodies, the C&amp;AG should prescribe guidelines for empanelment of the Chartered Accountants and the selection can be made by the State Governments within these guidelines. The audit to be done by the Local Fund Audit or the C&amp;AG in discharge of their responsibilities would be in addition to such an audit.(66)</p> <p>c. The existing arrangement between the Comptroller &amp; Auditor General of India and the State Governments with regard to providing Technical Guidance and Supervision (TGS) over maintenance of accounts and audit of PRIs and ULBs should be institutionalised by making provisions in the State Laws governing local bodies.(67)</p> <p>d. It should be ensured that the audit and accounting standards and formats for Panchayats are prepared in a way which is simple and comprehensible to the elected representatives of the PRIs (68)</p> <p>e. The independence of the Director, Local Fund Audit (DLFA) or any other agency responsible for audit of accounts of local bodies should be institutionalised by making the office independent of the State administration.</p>	<p>(a to e) The State/UT Governments have to take further action as per the recommendations.</p>

<p>The head of this body should be appointed by the State Government from a panel vetted by the C&amp;AG.(69)</p> <p>f. Release of Finance Commission Grants to the local bodies may be made conditional on acceptance of arrangements regarding technical supervision of the C&amp;AG over audit of accounts of local bodies. (70)</p> <p>g. Audit reports on local bodies should be placed before the State Legislature and these reports should be discussed by a separate committee of the State Legislature on the same lines as the Public Accounts Committee (PAC).(71)</p> <p>h. Access to relevant information/records to DLFA/designated authority for conducting audit or the C&amp;AG should be ensured by incorporating suitable provisions in the State Laws governing local bodies.(72)</p> <p>i. Each State may ensure that the local bodies have adequate capacity to match with the standards of accounting and auditing.(73)</p> <p>j. The system of outcome auditing should be gradually introduced. For this purpose the key indicators of performance in respect of a government scheme will need to be decided and announced in advance.(74)</p> <p>k. To complement institutional audit arrangements, adoption and monitoring of prudent financial management practices in the local bodies should be institutionalised by the State Governments by legislating an appropriate law on Fiscal Responsibility for local Bodies.(75)</p>	<p>(f): Not accepted. No action is needed.</p> <p>(g to k): The State/UT Governments have to take further action as per the recommendations.</p>
<p><b>35. (Para 5.2.2.4) Proposed Basic Structure - Ward Committees and Area Sabhas</b></p> <p>a. Government may consider the adoption of a common categorisation of urban bodies across the country to improve clarity in their definition so as to assist a systematic planning process and devolution of funds. A categorisation on the lines proposed given in Table 5.6 could be adopted.(136)</p> <p>b. There should be three tiers of administration in urban local governments, except in the case of Town Panchayats, where the middle level would not be required. The tiers should be:</p> <p>i. Municipal Council/Corporation (by whatever name it is called);</p> <p>ii. Ward Committees; and</p> <p>iii. Area Committees or Sabhas.(137)</p> <p>c. Each Area Sabha comprising all citizens in one or two (or more) polling station areas, should elect, once in five years, a small Committee of Representatives. The Committee of Representatives would elect one person who would chair the meetings of the Area Sabha and would represent the Area Sabha in the relevant Ward Committee. The State may, by law, prescribe the procedure and other details for such election;(138)</p> <p>d. Ward Committees should be set up in every Ward/Corporator's Division, The present system of having more than one ward in a Ward Committee needs to be given up;(139)</p> <p>e. Ward Committees need to be given legitimate functions which can be handled at that level. These functions could include street lighting, sanitation, water supply, drainage, road maintenance, maintenance of school buildings, maintenance of local hospitals/dispensaries, local markets, parks, playgrounds, etc;(140)</p> <p>f. Funds allocated for the functions entrusted to the Ward Committee should be transferred en-bloc to the Ward Committee. The budget proposed by the Ward Committee in respect to the functions allotted to it should be taken into account</p>	<p>The State/UT Governments are requested to offer their comments in this regard and if found suitable, implement the same.</p>

<p>in formulating the overall municipal budget;(141)</p> <p>g. Meetings of the Ward Committee should be widely publicised to ensure maximum citizens' participation;(142)</p> <p>h. Ward Committees should be given a share of the property taxes collected from the ward, depending on the locality;(143)</p> <p>i. The allocation of functional responsibilities between the tiers must be clearly spelt out. While doing so, the principle of subsidiarity should be followed. Broadly, the Area Sabha should perform functions similar to the Gram Sabha such as prioritising developmental activities and identifying beneficiaries under various schemes; and(144)</p> <p>j. A process of activity mapping similar to the one taken up for PRIs should be carried out for all ULBs within one year.(145)</p>	
<p><b>36. (Para 5.2.3.2) Zonal System for Large Cities</b></p> <p>a. Zonal offices with all administrative powers delegated to them may be set up immediately in Metropolitan Corporations and Municipal Corporations and become the main point of contact for people in respect of services and amenities. One zone for every five lakh (or less) population could be considered. Similar zonal offices should also be set up in other big cities within the next three years.(146)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>
<p><b>39. (Para 5.3.3.8) Property Tax Reforms</b></p> <p>a. State Governments should ensure that all local bodies switch over to the 'unit area method' or 'capital value method' for assessment of property tax in a time-bound manner.(155)</p> <p>b. The categories of exemptions from property tax need to be reviewed and minimised.(156)</p> <p>c. In order to ensure that unauthorised constructions do not escape the tax net, State laws should stipulate that levy of tax on any property would not, in itself, confer any right of ownership, in case the property is found to be constructed in violation of any law or regulation.(157)</p> <p>d. Tax details for all properties should be placed in the public domain to avoid collusion between the assessing authority and the property owner.(158)</p> <p>e. The State law should also provide for tax on properties belonging to the municipal authorities which are given on lease, to be payable by the occupants.(159)</p> <p>f. The law should provide for the levy of service charge on properties belonging to the Union and State Governments. This service charge should be in lieu of various services provided such as solid waste management, sanitation, maintenance of roads, streetlighting and general civic amenities.(160)</p> <p>g. A periodic physical verification of the properties and the taxes levied on them should be carried out in each municipal area by a separate wing directly under the control of the Chief Executive.(161)</p> <p>h. A computerised data base of all properties using GIS mapping should be prepared for all municipal areas.(162)</p> <p>i. Randomly selected cases of assessment should be audited by the government auditors as is done by C&amp;AG in case of Union taxes. (163)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>
<p><b>40. (Para 5.3.4.2) Octroi</b></p> <p>a. Octroi should be abolished, but the States should evolve mechanisms to compensate the local governments for the loss of revenue caused by such abolition.(164)</p>	<p>The State/UT Governments are requested to consider this recommendation for implementation.</p>

<p><b>41. (Para 5.3.5.2) Other Taxes</b></p> <p>a. The following principles should be followed while administering all taxes:</p> <p>i. The manner of determination of tax should be made totally transparent and objective;</p> <p>ii. As far as possible, all levies may be based on self declaration of the tax payer but this should be accompanied by stringent penalties in case of fraud or suppression of facts by the tax payer;</p> <p>iii. The cost of tax collection and of compliance should be reduced to a minimum;</p> <p>iv. There should be an independent unit under the Chief Executive to monitor the collection of all taxes; and</p> <p>v. The appeal against orders of assessing officers should lie with an independent quasi-judicial authority.(165)</p>	<p>(a) The State/UT Governments are requested to offer their comments in this regard and implement, if found suitable.</p>
<p><b>42. (Para 5.3.6.8) Non Tax Revenues</b></p> <p>a. A significant portion of grants to the municipalities must be linked with their own efforts at resource raising.(167)</p> <p>b. An impact study should be carried out for all major developments in the city. A congestion charge and/or betterment levy in relation to such projects may be levied wherever warranted.(168)</p> <p>c. The power to impose fines for violation of civic laws should be given to municipal authorities. The relevant laws may be suitably modified.(169)</p> <p>d. The fines prescribed for civic offences need to be enhanced. The amount of fine should be regulated by Rules under the law so that it could be revised periodically without the necessity of an amendment to the law.(170)</p>	<p>The State/UT Governments are requested to offer their comments in this regard and implement, if found suitable.</p>
<p><b>44. (Para 5.3.8.7) Leveraging Land as a Resource</b></p> <p>a. Municipal bodies should have a periodically updated database of its properties. IT tools like GIS should be used for this purpose. This database should be in the public domain;(174)</p> <p>b. Land banks available with the municipalities as well as with the development authorities should be leveraged for generating resources for the municipalities. However, such resources should be used exclusively to finance infrastructure and capital expenditure and not to meet recurring costs.(175)</p> <p>c. Until the development authorities are merged with urban local bodies, a proportion of the revenue realised by such agencies from the sale of land, say, 25%, should be made available to the municipalities for meeting their infrastructure financing needs.(176)</p> <p>d. The respective municipal laws should provide that any built up property of municipal bodies shall not be given on rent/lease without following a competitive process. Such a lease period shall not exceed five years.(177)</p>	<p>The State/UT Governments are requested to offer their comments in this regard and implement, if found suitable.</p>
<p><b>45. (Para 5.4.2.10) Regulatory Services</b></p> <p>a. A time-bound programme for updating and simplification of all regulatory provisions relating to the ULBs should be made mandatory. Each State Government should create a task force to examine and suggest simplification of procedures in local governments. This task force could also suggest steps to be taken to reduce discretion and bring objectivity in the field offices of local governments. The city municipal corporations could undertake such an exercise on their own.(178)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>

<p>b. All service providers in cities should be brought under one umbrella by establishing 'one stop service centres. This could be completed within two years in all cities. Call centres, electronic kiosks, web based services and other tools of modern technology should be used by all ULBs to bring speed, transparency and accountability into delivery of services to the citizens.(179)</p> <p>c. Citizens' charters in all Urban Local Bodies should specify time limits for approvals relating to regulatory services such as licenses and permits and these should be scrupulously adhered to. The charter should also specify the relief available to the citizens in case of non adherence.(180)</p> <p>d. A system of self certification by registered architects for issue of building permits should be introduced in all ULBs with immediate effect, to start with, for individual residential units.(181)</p>	
<p><b>46. (Para 5.4.3.1.5) Creating a Responsive Institutional Framework</b></p> <p>a. The local government should be responsible for providing civic amenities in its jurisdiction.(182)</p> <p>b. In respect of all downstream activities of a particular State utility, as soon as it enters the geographical and administrative boundary of an Urban Local Body, the Government utility/parastatal should become accountable to the ULB.(183)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>
<p><b>50. (Para 5.4.3.6.4) Power Utilities and Municipal Bodies</b></p> <p>a. Municipal bodies should be encouraged to take responsibility of power distribution in their areas. This, however, should be done after adequate capacity building in these organisations.(201)</p> <p>b. Municipal building bye-laws should incorporate power conservation measures.(202)</p> <p>c. Municipal bodies should coordinate the layout plans for the distribution networks of power and other utilities.(203)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>
<p><b>51. (Para 5.4.4.3) Services for Human Development</b></p> <p>a. There has to be a shift in emphasis in the crucial service delivery sectors of education and health from centralised control to decentralised action, from accountability to the State department to accountability to the local communities and from employment guarantee to service guarantee.(204)</p> <p>b. It is necessary that all schools are made functionally self-sufficient, in as much as basic facilities and classroom requirements are provided in all urban schools within the next two years.(205)</p> <p>c. The municipalities, especially the larger ones, should seek the help of NGOs, the corporate sector and individual volunteers for assistance in running schools. Indeed, it would be useful to initiate a voluntary service element in our social sector to improve service delivery.(206)</p> <p>d. The trend in urban areas to shift towards private healthcare needs to be seen as an opportunity by the City authorities to concentrate on public health as distinct from clinical services, and on preventive and not only curative aspects of health care.(207)</p> <p>e. Institution specific standards should be prescribed for schools and hospitals and third party assessments carried out to monitor performance in service delivery. Performance based incentives should be prescribed at all levels by breaking salary ceilings to guarantee service outcomes and linking permanence in service to performance.(208)</p>	<p>The State/UT Governments have to take further action as per the recommendations.</p>

<p>f. Recruitment for hospitals and schools should be made to an institution/Society, moving away from non accountable State level recruitment.(209)</p> <p>g. Local bodies should ensure convergence among health systems, sanitation facilities and drinking water facilities. Primary level public health institutions in urban areas should be managed by the urban local bodies.(210)</p> <p>h. For all services provided by local governments there is need to develop a set of performance indicators. The concerned Ministry should lay down broad guidelines for this purpose. Thereafter, the State Governments could lay down norms for this purpose.(211)</p> <p>i. The concerned Ministry should maintain a State-wise database about the performance of various service delivery systems. Similarly, the State should have a database for such services covering all municipal bodies.(212)</p>	
<p><b>57. (Para 5.5.4.7) Authorities for Metropolitan Corporations</b></p> <p>b. As recommended in para 5.4.5.15 of this Report, a Unified Metropolitan Transport Authority should be set up in all mega cities for coordinated planning and implementation of urban transport solutions with overriding priority to public transport.(230)</p> <p>c. For all Metropolitan Corporations, which may be defined as cities with a population exceeding 5 million, MPCs may be constituted with the Chief Minister as the Chairperson in order to give the required impetus to the process of planning for such urban agglomerations.(231)</p> <p>d. In all cities with a population exceeding five million, a Metropolitan Environment Authority needs to be set up with powers delegated by the State Government from the State Pollution Control Board and related authorities. It should be vested with adequate powers for urban environmental management within the city limits.(232)</p>	<p>The State/UT Governments have to take further action to ensure that the recommendations are put into practice.</p>
<p><b>67. (Para 5.8.4) Urban Local Bodies and the State Government</b></p> <p>a. Municipal governments should have full autonomy over the functions/activities devolved to them.(254)</p> <p>b. If the State Government feels that there are circumstances that make it necessary to suspend or rescind any resolution passed by the Urban Local Bodies or to dissolve or supersede them, it should not do so unless the matter has been referred to the concerned local body Ombudsman and the Ombudsman recommends such action.(255)</p> <p>c. If, on any occasion, the State Government is in possession of records other adequate reasons to initiate action against the Urban Local Bodies or its elected representatives, it should place the records before the local body Ombudsman concerned for investigation.(256)</p>	<p>The State/UT Governments have to take further action to ensure that the recommendations are put into practice.</p>