

Q.67 2020 The strength and sustenance of local institutions in India has shifted from their formative phase of 'Functions, Functionaries and Funds' to the contemporary stage of 'Functionality'. Highlight the critical challenges faced by local institutions in terms of their functionality in recent times. - 15M

India's local governance transformed from 'formative phase' of 3 F's to 'Contemporary stage' of functionality, though implementation challenges persist.

Functions	Functionaries	Funds
1. <u>Mandatory</u> - public health - waste mgm	1. <u>Elected</u> - Chairperson - Members	1. <u>Tax sources</u> - Octroi 2. Non-tax - fee, penalties
2. <u>Discretionary</u> - parket library	2. <u>Executive</u> - Municipal Commi- ssioner	3. <u>External</u> - Consolidation fund of State
3. <u>Developmental</u> - social Justice	3. <u>Technical staff</u> - sanitation worker	- Finance Commission

3 F's local Governance in India

Shift from 3 F's to functionality

1. Devolution of power to performance based service delivery.

(ex:) Panchayat Advancement Index.

2. Limited local autonomy to evidence based

participatory planning with outcome tracking

(ex:) Gram Panchayat Development Plan.

3. Manual processes to end-to-end digital integration. (ex:) eGram Suwaraj.

4. Top down administrative control to citizen centric governance. (ex:) Maharashtra made social audit mandatory.

5. Recruitment of functionaries to skilling. (ex:) Focus on digital literacy

Challenges faced by local bodies

1. Inadequate own source revenue generation

ULBs of India \Rightarrow 0.6% of GDP \rightarrow RBI

2. Resource - expenditure gap. (ex:) 42%

gap in ULBs across 18 states - CAG

3. Low overall devolution score. from

40% (2013-14) to 44% (2021-22) - NITI
Aayog

4. Premature dissolution of elected bodies.

(en:) all 27 ULBs of Maharashtra operating without elected bodies.

5. Severe staff vacancies. 37%, avg
Vacancy - PRS India.

6. Institutional delay: only 9/28 states
have constituted state finance commission.

W ^{1.} → implement Samarth Panchayat → tax collection

A ^{2.} → SVAMITVA scheme using drones → property tax

Y ^{3.} → enhance fiscal federalism → Finance Commission

A ^{4.} → Mandatory full-time secretary.

H ^{5.} → Administrative autonomy in recruitment.

A (en:) Rashtriya gram Swaraj Abhiyan.

D ^{6.} → Withhold central grants for non-compliant states

For robust local governance, future ready
system. India must ensure people's partici-
pation with accountable functionaries.