Background of the Capacity Building Programme

- The **Kolkata Environmental Improvement Project (KEIP)** is a multi-agency endeavour, that was launched to provide affordable access to basic urban services in slums, revamp the sewerage and drainage system, improve solid waste management system efficient, restore the city's drainage canals, and improve outdoor recreation facilities in parks and water bodies in the city. KMC and Govt. of West Bengal are responsible for implementation of the project. The funding for the project, a total of INR 1806 crore, is being provided by Asian Development Bank (ADB).

- A KEIP **feasibility study** was done and it identified the need for wider capacity building in the Kolkata Municipal Corporation and proposed a **Capacity Building Programme (CBP)** to raise the standards of KMC’s delivery of municipal services.

- The **Department for International Development (DFID)**, Government of UK, stepped in at this stage to fund this capacity building program over a six-year period starting from 2003 and committed to a total funding of GBP 28.3 million.

- The purpose of the CBP, which was initiated in 2003, is to **transform KMC into an institution of excellence** in city administration and good governance.
The next few slides give the highlights action taken in each of these areas in a brief manner…

**Scope of CBP**

- **Strategy**
  - Development of E-governance and GIS
  - Usage of technology in other services

- **Structure**
  - Redefining of Organizational structure
  - Delegation and distribution of powers in a three-tier mode

- **Process**
  - Business process re-engineering
  - Introduction of Citizen centric processes

- **People**
  - Training and capacity building of staff
  - Specific job descriptions

- **Technology**
  - Usage of technology in other services

A vision and strategy articulated in a document, defining the core concern areas and carving out niches for public private partnerships etc
The detailed scope of the CBP and proposed interventions were listed under the following heads for which consultants were selected through a competitive bidding process.

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Administrative and financial powers have been delegated across levels for all major functions. This has led to significant simplification of work approval process, leading to expeditious service deliver. For instance:

- Time taken for contractor payments has been reduced from 18 months to 3 months
- Time taken for simple property mutation has been reduced from 20 days to less than one week over the last 3 years
- Time taken to issue birth certificates has been reduced by almost 75% since 2003
- Commissioner’s files have been reduced by 42% since 2002

Borough Strengthening Plan has been formulated to transfer adequate powers to Boroughs.

KMC has undertaken transfer of civic assets and responsibilities from other para-statal agencies in order to become the single point interface for civic services in Kolkata. This includes 2 sewerage treatment plans, 18 drainage pumping stations, more than 20,000 streetlights, 3 water supply booster pumping stations and several roads maintenance and solid waste management responsibilities.
Organizational Development & Governance

- Creation of new departments like **Social Sector, Town Planning and PPP cell** has been undertaken in order to improve focus on pro-poor approach and planning aspects.

- **Training/workshops of KMC staff** have been conducted on various municipal administrative systems modules, IT and allied topics, ERP, management issues etc. Several batches of Category-A officers have undergone Management Development Program (MDP) training at IIM Calcutta while more than 3500 employees have been trained by IUM till date.

- **Citizen’s charter** for 8 departments are now available on KMC website, informing the citizens of the list of KMC services and also fixing accountability for each service.

- **Citizen’s survey** was conducted in 2006-07 and 2008-09 to understand the citizens’ perception of KMC’s services.
Social Sector

- **Identification of Below Poverty Line population** through surveys has been completed. **Delivery of poverty alleviation schemes** to beneficiaries from BPL background (NOAPS, SJSRY, JSY, NFBS) is being undertaken by KMC.

- A self sustainable model of poverty alleviation has been created through **community empowerment**. For eg., Job-linked training programs are facilitated with the support of NGOs to cover fields like security and safety, retail management, etc.

- **Primary schools** and Shishu Shiksha Kendras (SSKs) are being run for underprivileged children. **Mid-day-meal scheme** has been introduced in all primary schools to improve the enrolment of students and cater to their nutrition needs.

- More than 40,000 **underprivileged children** derive benefits out of the KMC primary education system. There has been **increase of almost 5,000 students over the last 6 years**.

- **School Development Commitees** have been set up to incorporate parents’ participation in the children’s progress and decentralize school administration.
The Pro-Poor Expenditure in KMC rose at a Compounded Annual Growth Rate of 27.7% from 2004-05 to 2007-08.

Accounting for both direct and apportioned pro-poor expenditures, the total pro-poor expenditure in 2008-09 as a % of total own source revenue had risen to 27%.
Accounting reforms have been undertaken to ensure **transparent and systematic maintenance of accounts**.

**Restrictions have been imposed on non essential expenditure** – Recruitment was frozen and staff strength reduced from 41,000 in 1999 to 34,000 at present through a conscious policy decision.

**E-Networking** has been implemented to enable **online capturing and recording of financial and accounting transactions**.

**Financial process reengineering (FPR)** has been undertaken and is being implemented to introduce accounting following accrual principle.

**ERP based system for financial management** is in the final stages of implementation.

**Internal audit has been strengthened** with engagement of professional firms.

All salary payments are now done through **Bank ECS**.
Till date, **25 departments have been computerized under the Municipal Administration System (MAS)**. Integrated systems for Birth & Death Registration, Building and Market, License, Survey, Health, etc are now functioning.

- **KMC network has been set up with over 810 nodes within Kolkata.** Recruitment of IT Cadre has been undertaken.

- **Technical training for users** has been organized.

- Four dedicated **e-Kolkata Citizen Service Centres** have been setup in different locations in the city. Payments to various KMC departments such as Assessment, License, Advertisement, Water Supply etc. can be made at these centres. All 15 treasuries located in the 15 boroughs of Kolkata have also virtually started functioning as e-Kolkata centres and accept these payments.

- Implementation of **GIS (geographic Information System)** is under progress with the pilot phase completed. When completed this will improve delivery of all services.

- KMC’s website **www.kolkatamycity.com** has been put online with information on services and officials available apart from forms and FAQs. The portal will now be redesigned to include services such as electronic payment of fees and taxes.
KMC Network

Central Data Centre

- 4 Citizen Service Centres
- Single stop Citizen Centres located at suitable areas in the city

Citizen Domain

BSNL providing the Network

- 15 Boroughs
- 141 Wards & Ward Committee
- 5 Lighting Zones and CMO

- 18 WS pumping stns incl far flung PALTA
- 19 Drainage Pumping Stations

- 110 Ward Health Units
- 68 Malaria Clinics
- 27 Dispensaries
- 21 Health Admin Units
- 4 Maternity Homes
- 1 TB Hospital
- 10 TB Units
- 7 Crematoria
- 7 Burial Grounds

- 15 Borough Conservancy offices

- 24 Markets
- 7 Assmt Collection Centres
- 15 Treasuries
- 8 License Centres

DR site
Overall CBP Fund Utilization

(Figure in bracket shows funds allocation as per original budget estimate)
The Town Planning Department in consonance with Bengal Engineering and Science University (BESU) have prepared plans for the spatial development of KMC area (including publications such as ‘Vision & Perspective Plan’ and ‘City Mobility Plan’) to serve as a guide for urban planning.

Project for Integrated Housing for Slum Dwellers under BSUP are being undertaken in 10 locations within Kolkata. More than 14,000 dwelling units to be constructed.

Upkeep and maintenance of Heritage Buildings has been accorded priority and KMC has undertaken several projects over the past 3 years.

PPP cell has been formed and various PPP projects have been completed or are under progress. These projects include management of Star Theatre, maintenance of Citizen’s Park, reconstruction of College Street Market and development of Lake Mall.

The Land monetisation projects include land on Mouza Boinchtala (given for hotel development), 5 acre land on EM Bypass and land for construction of Park Hotel. These projects have together fetched KMC a revenue of around INR 567 crore. A few more suc projects for land monetisation and markets development are in the pipeline.
Impact of CBP: Financial Turnaround of KMC

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<td>Own source revenue of KMC increases and is sufficient to meet <strong>75%</strong> of total expenditure</td>
<td>Own source revenue has steadily increased and for 2008-09, 64% of total expenditure was met from revenue income.</td>
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<td>Amount spent on capital works increases from <strong>9%</strong> of expenditure to <strong>20%</strong></td>
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## Impact of CBP: Improved Service Delivery

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The improved service delivery has been acknowledged by the citizens as is established by recent citizen surveys.
Impact of CBP: Improved Citizen Satisfaction

Citizen satisfaction has improved in 5 out of 7 major services provided by KMC
These slides have only highlighted the **major achievements** under CBP. Explaining the entire impact of the programme would require going into much more details. But it would suffice to say that the CBP has **transformed** KMC into a much more **responsive** organization.

CBP is an **essential process** for all ULBs. It needs to be undertaken by ULBs even if an external source of funding is not available and the organization’s own funds must be used. The **long term gains** achieved from such a programme will more than justify the investments.

CBP is also a **continuous, never ending process. The need for reforms never ends.** Establishing a dedicated ‘Reforms Cell’ that is part of the permanent organization structure is thus the essence of CBP.
Background of CBP

- The **Kolkata Environmental Improvement Project (KEIP)** is a multi-agency endeavour, that was launched to provide affordable access to basic urban services in slums, revamp the sewerage and drainage system, improve solid waste management system efficient, restore the city's drainage canals, and improve outdoor recreation facilities in parks and water bodies in the city. Agencies involved in implementation of KEIP are the Asian Development Bank (ADB), Kolkata Municipal Corporation and Govt. of West Bengal.

- The KEIP feasibility study identified the need for wider capacity building in the Kolkata Municipal Corporation and proposed a **Capacity Building Programme (CBP)** to raise the standards of KMC’s delivery of municipal services.

- The **Department for International Development (DFID)**, Government of UK, agreed to fund the program over a six-year period to implement the CBP with GBP 28.3 million.

- The purpose of the programme is to **transform KMC into an institution of excellence** in city administration and good governance.
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Creation of new departments like Social Sector, Town Planning and PPP cell in order to emphasize the pro-poor approach and planning aspects of KMC.

Training needs for various stakeholders were assessed and more than 3500 KMC staff have been trained at institutes like IUM, IIM Calcutta, etc. Training/workshops conducted on various municipal administrative systems modules, IT and allied topics, ERP, etc.

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- **Identification of Below Poverty Line population** through surveys.

- **Delivery of poverty alleviation schemes** to beneficiaries from BPL background (NOAPS, SJSRY, JSY, NFBS)

- Creation of a self sustainable model of poverty alleviation through **training, community empowerment**. Facilitation of job-linked training programs with the support of NGOs cover fields such as security and safety, retail management, etc.

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**All salary payments are now done through Bank ECS**
E-Governance & IT

- Till date, **25 departments have been computerized under the Municipal Administration System (MAS).** The primary objective of MAS is to interconnect all the department for greater efficiency. Integrated systems for Birth & Death Registration, Building and Market, License, Survey, Health, etc are now functioning.

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- **Technical training for users** has been organized.

- Four **e-Kolkata Citizen Service Centres** are operational in different locations in the city. Currently, payments to KMC for various departments such as Assessment, License, Advertisement, etc. can be made at the e-Kolkata centres.

- Implementation of **GIS (geographic Information System)** is under progress with the pilot phase completed. When completed this is expected to improve delivery of all services.

- KMC’s website **www.kolkatamycity.com** has been put online with information on services and officials available apart from forms and FAQs. The portal will now be redesigned to include services such as electronic payment of fees and taxes.
- The Town Planning Department in consonance with Bengal Engineering and Science University (BESU) have undertaken studies on the infrastructure aspect of urban planning and documented the same.

- Project for Integrated Housing for Slum Dwellers under BSUP are being undertaken in 10 locations within Kolkata. More than 14,000 dwelling units to be constructed.

- Upkeep and maintenance of Heritage Buildings has been accorded priority and KMC has undertaken several projects over the past 3 years.

- PPP cell has been formed and various PPP projects have been completed or are under progress. This includes projects like Management of Star Theatre, Maintenance of Citizen’s Park, Reconstruction of College Street Market in partnership with Bengal Shelter Housing Development (construction under progress), Auctioning of Land on Mouza Boinchtala for the development of a 5 star hotel (this lead to a revenue realization of over Rs. 155 crores), Auctioning of 5.5 Acre Chandra’s Green Land etc.
Fund Utilization

(Figure in bracket shows funds allocation as per original budget estimate)
# Financial Turnaround

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<td>2028.4</td>
<td>2796.2</td>
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<td>Fees (Building sanction)</td>
<td>434.4</td>
<td>1,350.0</td>
<td>25.0%</td>
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<tr>
<td>User charges (water, sewerage)</td>
<td>400.0</td>
<td>540.0</td>
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- The Corporation’s **dependence on government grant has declined** from 42 percent in 2002-03 to 36 percent in 2007-08.

- **Tax collection increased** at CAGR of 6.6% between 2002-03 to 2007-08

- **Phenomenal growth in non-tax revenue** at a CAGR of 16% surpassing tax revenue (as of 2007-08, TR: Rs. 293 crores; NTR: Rs. 313 crores)

- **Growing size of municipal funds balance** (revenue + capital): Rs. 1,278 crores as at 31.03.2003 – Rs. 3,250 crores as at 31.03.2008

- **Creation of gross assets of Rs. 1,474 crores** (between 2002-03 to 2007-08)
## Improved Service Delivery

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The improved service delivery has been acknowledged by the citizens as is established by recent citizen surveys.
Citizen’s Survey for Measuring Impact

Citizen satisfaction has improved in 5 out of 7 major services provided by KMC