

Chapter-VI
Human Resources of ULBs

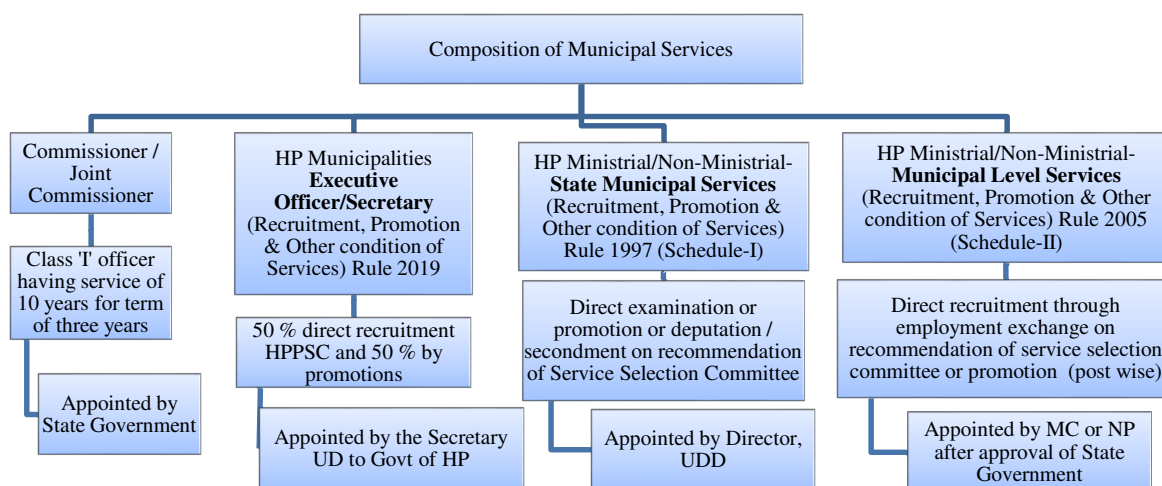
6.1 Recruitment of staff

The Himachal Pradesh Municipalities Executive Officer/Secretary (Recruitment, Promotion and other Condition of Services) Rules, 2019, Common Recruitment Rules, 2011, Department of Personnel, Govt. of HP, and Himachal Pradesh Ministerial/Non-Ministerial, Municipal Level Services Recruitment & Promotion and other conditions of Services Rules, 2005 list out the Appointing Authorities for various categories of posts as indicated below:

Table 6.1: Statement showing the appointing authorities for recruitment

Category of post	Authority
Group A	State Government
Group B (For Executive Officer and Secretary)	Secretary, (Urban Development) to the Govt. of HP
Group B, C & D	Schedule-I- On the recommendation of the service selection committee ¹ constituted at the State level by the State Government. Schedule-II- Appointing Authority (Council) on the recommendation of selection committee ² constituted by the Director of UDD.

The method of recruitment of official and staff of ULBs is as shown in the flow chart below:



- ¹
1. Director, Urban Bodies, Himachal Pradesh
 2. Representative of Secretary (LSG) to the Member. Chairman. Government of Himachal Pradesh.
 3. Joint Director/Deputy Director, Urban Local Bodies, Himachal Pradesh, Member.
- ² Director shall from time to time constitute a selection committee consisting of at least three members with the approval of Government.

6.2 Limited powers over manpower

Adequate and qualified manpower is a *sine qua non* for the empowerment of ULBs. The broad framework of functions carried out by ULBs is depicted in **Table-6.2** below:

Table-6.2: Status of wings/sections with functions in ULBs

Municipal Corporation		
Sl. No.	Wing/Section	Functions
1.	Administration	General administration, including meetings of council and committees
2.	Revenue	Assessment and collection of various taxes, rent, advertisements and other property related activities
3.	Accounts	Preparation and maintenance of accounts, preparation of budget etc.
4.	Public health	Sanitation, street sweeping, solid waste management and other public health related activities
5.	Engineering	Construction / O & M of roads, drains, buildings, parks, playgrounds, water supply and street lighting etc.
6.	Town Planning	Town planning activities such as issue of sanctions to building plans and issue of 'No Objection Certificate' for the release of electricity, water and sewerage connections etc.
7.	Welfare	Implementation of schemes relating to Social and economic development

The State Government had following powers regarding manpower of ULBs:

- Schedule I & II of the HP Municipal Services Act, 1994 stipulates various categories³ of employees required for execution of functions devolved by the State Government. However, the HP Municipal Service Act, 1994 did not define the wing/section wise category of employees. State Government may make rules for carrying out the purposes of this Act.
- As per Section 03 of HP Municipal Services Act, 1994, addition and deletion to Municipal State Level Services shall be as prescribed by the State Government.
- Further, the State Government had framed Rules like Himachal Pradesh Municipalities Executive Officer/ Secretary (Recruitment, Promotion and other Condition of Services) Rules, 2019, and Himachal Pradesh Ministerial/Non-Ministerial, Municipal Level Services Recruitment & Promotion and other conditions of Services Rules, 2005 to regulate conditions of service of Municipal Staff.

Thus, the ULBs had no powers to recruit the required staff.

6.3 Assessment of staff in ULBs

The 2nd Administrative Reforms Committee opined that the city government should have the power to appoint all officials including the Commissioner in accordance with

³ **Schedule-I:-** Assistant Engineer, Junior Engineer; Superintendent Grade-II, Sanitary Inspectors.

Schedule-II:- Health Officer, Executive Engineers, Market Superintendents, Draughtsman, Asstt. Draughtsman, Patwaries, Divisional Forest Officers, Range Officers, Deputy Forest Rangers, Forest Guards, Asstt/Accountants, Tax Inspectors, Surveyors, Laboratory Technicians, Sanitary Supervisors & Clerks.

specified procedures and conditions of appointment. However, it was observed that ULBs had no power to recruit staff and all the recruitments are to be made only after obtaining the approval of the Government. It was also observed that approval of filling of posts/sanctioning new posts were made by Government without considering the actual assessments of ULBs.

The assessment of requirement of staff made by three out of 14 test-checked ULBs namely Municipal Corporation Shimla, Dharamshala and Municipal Council, Rampur and sanction accorded by the Government are discussed as below:

Sr. No.	Name of ULB	Staff demand raised by ULBs	Sanction received from State Govt.
1.	MC Shimla	212 vacant posts; 720 new posts	35 vacant posts; 20 new posts
2.	MC Dharamshala	10 additional posts	Nil
3.	MC Rampur	17 vacant posts	Nil

As is evident, the approval by the State Government for filling of posts/sanctioning new posts was not in consonance with the actual demands raised by MC, Shimla. Further, in case of Dharamshala and Rampur, the Government did not even respond to assessment of additional requirement made by ULBs. The non-filling up of required staff may have affected the basic services in the ULBs besides implementing various schemes and programmes of the Govt. effectively.

6.4 Staff position in Urban Local Bodies of Himachal Pradesh

Sanctioned strength and persons-in-position of various categories in 54 ULBs of the State is given in Table below:

Table-6.3: Staff position of ULBs in the State

Category	Sanctioned Strength	Working Strength					Vacancy percentage
		Regular	Daily wages	Contract	Outsourced (JE & Sanitary supervisor)	Vacant	
Group A	16	15	--	--	--	1	6
Group B	86	37	--	--	--	49	57
Group C	861	439	1	45	38*	376	44
Group D	2,768	1,715	67	26	--	960	35
	3,731	2,206	68	71	38	1,386	37

* shown as vacant post.

As can be seen from the table above that vacancy ranged from 35 per cent to 57 per cent among the various categories (except Group A), thereby hampering effective discharge of functions. Significant percentage of vacancies in the key posts are discussed as under:

- The Commissioner, Executive Officer and Secretary are the executive heads of ULBs. It was observed that 48 per cent of post of Executive Officers 57 per cent post of Secretary and 100 per cent posts of Administrative Officer and Superintendent

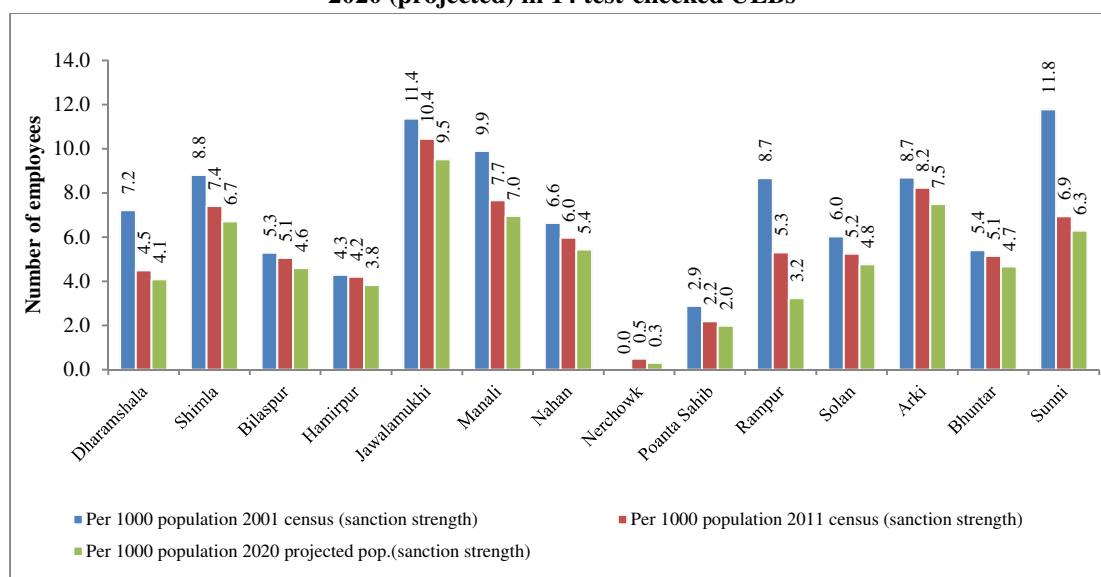
Grade-II were lying vacant affecting the delivery of public services and development works. The Sub Divisional Officers and Tehsildars have been given the additional charge of the Municipal Councils/Nagar Panchayats.

- The vacancies in technical posts such as Assistant Engineer, Junior Engineer and draughtsman ranged between 30 *per cent* and 40 *per cent*, which affected the execution of various development works of the Municipality besides resulting in poor utilisation of funds.
- Audit also observed that vacancies to the extent of 75 *per cent* in the posts of Revenue Officer (Patwari) and 100 *per cent* in the posts of Chief Accountant/Accountant affected the collection of revenue/arrears resulting in lesser realisation of own revenue as discussed in **Para 5.4**. besides affecting proper accounting and maintenance of records.

6.4.1 Sanctioned strength of test-checked ULBs

The urban population of 14 test-checked ULBs which was 3.74 lakh as per 2011 census was projected at 4.25 lakh as of 2020. Analysis showed that the sanctioned strength was not commensurate with the population. In the test-checked ULBs, the sanctioned strength of ULBs per 1000 population varied from 03 to 11.7 employees per 1000 population (as per 2001 census). This ratio fell to 0.5 to 10.4 employees per 1000 population (as per 2011 census). As per the projected population in 2020, the sanctioned strength of ULBs per 1000 population would further fall down to 0.3 to 9.5 employees per 1000 projected population (2020). Comparative analysis of number of employees per 1000 population against sanctioned strength in 2001 census with 2011 census and 2020 (projected) is depicted in **Chart 6.1**:

Chart-6.1: Employees per 1,000 population as per sanction strength for census 2001, 2011 and 2020 (projected) in 14 test-checked ULBs

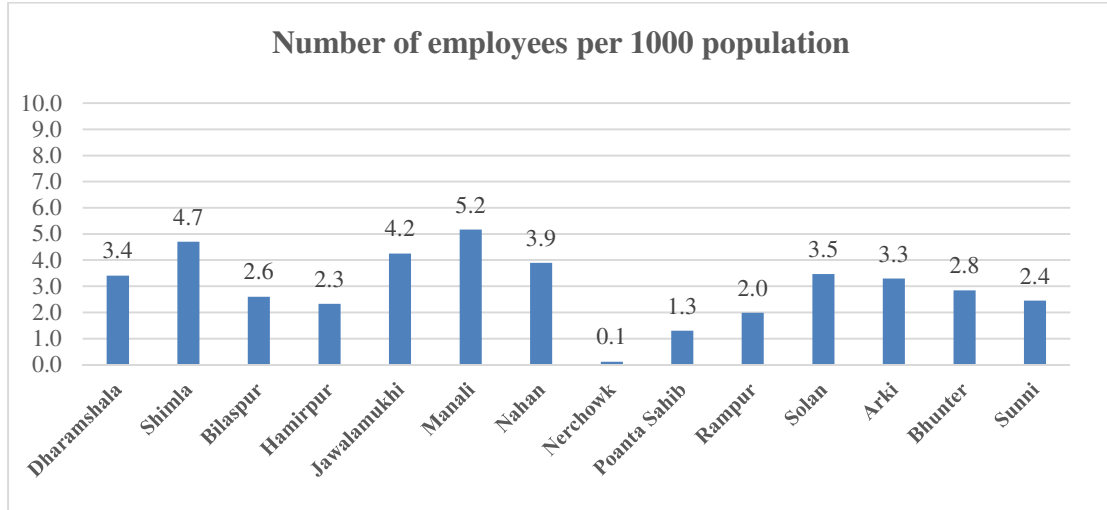


It can be seen from **Chart 6.1** that sanctioned strength of ULB officials per 1000 population is decreasing. This may be attributed to the sanctioned strength not being commensurate with the increasing population of the concerned ULBs.

6.4.2 Persons-in-position of test-checked ULBs

Scrutiny of 14 test-checked ULBs revealed huge variation in person-in-position per 1000 population (2020 – projected). Comparative chart is depicted below:

Chart-6.2: Number of Employees per 1000 population as current working strength against the projected population for the year 2020



As indicated above, 07 test-checked ULBs had 2.9 or below employees for per thousand population, 04 ULBs had between 3 and 4 employees and 03 ULBs had more than 4 employees. Evidently, the ULBs lacked adequate manpower to carry out efficient delivery of services.

6.4.3 Staff position in test-checked ULBs

Sanctioned strength and persons-in-position of various wings/sections in test-checked ULBs is given in **Table 6.4** and detailed post wise position of vacancies is given in **Appendix-6.1**:

Table-6.4: Staff position in the 14 test-checked ULBs

Sl. No.	Wing/sections	Sanctioned	Regular	Daily wages	Contract	Vacant	% Of vacancy
1.	Administration	39	19	0	0	20	51
2.	Accounts/ Revenue	264	151	0	10	103	39
3.	Sanitation Public health	884	490	8	6	380	43
4.	Engineering	794	676	8	7	103	13
5.	Town Planning	3	1	0	0	2	67
6.	Law	6	3	0	0	3	50
7.	Forest	5	2	0	0	3	60
8.	General Staff	217	135	8	1	73	34
	Total	2,212	1,477	24	24	687	31

As can be seen from the table above that vacancy ranged from 13 *per cent* to 67 *per cent* among the various wings/sections (March 2021).

- In nine test-checked Municipal Councils and three Nagar Panchayats, it was observed that 33 *per cent* post of Executive Officers and 100 *per cent* post of Secretary were lying vacant thereby affecting the delivery of public services and development works.

Further, human resources aspects relating to five functions discussed in **Chapter 5**, is discussed below:

1. Property Tax:

As per Schedule-II of the HP Municipal Service Act, there must be a post of Tax Inspector in the ULBs. But in all the ULBs no post of Tax Inspector had been sanctioned.

In test-checked ULBs except MC Shimla generally a clerk/accountant/beldar/mason was assigned with the work of preparation of assessment list, property tax assessment and further billing and collection of property Tax.

Thus, non-sanctioning of post of Tax Inspector resulted in improper assessments and shortage of collection of the property tax in the ULBs. Performing the work through untrained staff for the assessment of property tax had compromised the quality of assessment and collection of taxes. Shortcomings in maintenance of records, preparation of assessment list, assessment and collection of property tax has been discussed in the **Paras 5.4.1 to 5.4.1.4**.

2. Water supply (Water Tax/Charges):

The vacancy position in water supply wing of the MC Solan shown in the table given below:

Table 6.5: Detail of manpower in water supply wing of MC Solan

Name of Post	Sanction Strength	Person in position	Percentage of vacancy
Assistant Engineer	01	01	Nil
Junior Engineer	03	01+01 (contract)	33
Accountant/clerk	13	12	08
Fitter	02	Nil	100
Meter Reader	03	03	Nil
Meter Mechanic	01	Nil	100
Keymen	12	03	75
Bill Distributer	02	02	Nil

As can be seen from above table, 33 *per cent* of post of Junior Engineer, 100 *per cent* post of Fitter, 100 *per cent* post of Meter Mechanic and 75 *per cent* post of Keyman was lying vacant in the MC. This has resulted in the huge non-revenue water and short collection of water tax/charges as discussed in the **Para 5.6**.

3. Solid Waste Management:

The status of manpower sanctioned and engaged for management of Solid Waste in the 14th test-checked ULBs is given in the table below:

Table 6.6: Detail of manpower in Solid Waste Management of test-checked ULBs

Name of Post	Sanction Strength	Person in position	Percentage of vacancy
Health Officer	02	01	50
Veterinary H.O.	01	01	00
Sanitary Inspector	20	05	75
Sanitary Supervisor	29	21	28
Safai Karamchari	788	446	43
Sanitary/Safai Jamadar	42	40	05

- In all the 14 test-checked ULBs, only an employee either Sanitary Supervisor or Junior Engineer or Safai Jamadar or Peon was handling the SWM in the municipality except for MC Shimla and Rampur.
- As evident from above table against the sanctioned 20⁴ posts of sanitary inspectors only five⁵ were in position (vacancy was 75 per cent) and against 29⁶ sanctioned post of Sanitary Supervisors only 21⁷ were in position (vacancy was 28 per cent).
- In two⁸ ULBs, the work of Solid Waste Management was being supervised by Junior Engineers, in MC Hamirpur the work was being supervised by the Peon and in MC Bilaspur by the Safai Jamadar.
- Out of 788 sanctioned posts of Safari Karamchari, 446 (421 (regular), 19 (daily wages) and 06 (contract)) were in position in the test checked ULBs. Thus, the per cent of vacancy of Safai Karamchari was 43 per cent.

Thus, non-filling up of the vacant posts resulted in inadequate Solid Waste Management in the ULBs.

During the exit conference, the State Government stated that due to poor financial position of the ULBs, department is hiring the services on outsource basis so that efficiency of the private sector will be brought in the working of ULBs. Only those posts which are critical and cannot be outsourced will be filled up for the smooth functioning. The reply is not tenable as most of the critical posts required for smooth functioning of ULBs were still lying vacant.

6.5 Capacity Building

In an organization the capacity enhancement is a continuous process by which individuals obtain, improve, and retain the skills, knowledge and other resources

⁴ Bilaspur:1, Dharamshala:1, Hamirpur:1, Jawalamukhi:1, Manali:1, Nahan:2, Nerchowk:1, Paonta Sahib:1, Rampur:1, Shimla:9 & Solan:1.

⁵ Rampur:1, Shimla:4.

⁶ Arki:1, Bhunter:1, Dharamshala:3, Jawalamukhi:1, Manali:1, Nahan:1, Nerchowk:1, Paonta:1, Solan:1, Shimla:17 & Sunni:1.

⁷ Dhramshala:2, Nahan:1, Shimla:17 & Sunni:1.

⁸ Bhunter and Jawalamukhi.

needed to do their jobs competently and efficiently. It allows individuals and organizations to perform at the utmost capacity. Capacity building is important for strengthening the capabilities of personnel and for equipping them with advanced skills to deliver better services. This would also include training needs assessment to identify areas of improvement. Establishment of Local Government Training Institution which would enable ULBs in the State for capacity building of all the stakeholders of Urban Development and functionaries & Elected Representatives of ULBs.

During the audit of UDD, it was noticed that there is no State Institute of Urban Development in the State, as it existed for Panchayati Raj Institution i.e., State Institute of Rural Development. As a result no short term / long term training programmes for the officials and non-officials engaged in ULBs could be conducted. Further, Directorate of UDD had conducted only two⁹ trainings for the officials of ULBs during the period 2015-20.

In course of audit, following observations were noticed in all the test-checked ULBs:-

- ULBs had not organized any training schedule for the enhancement of capacity of its employees in the areas of Office Procedure and Financial Administration, Service Rules, Revenue Administration, Computer Awareness and Urban Development etc. during the period 2015-20.
- It was also noticed that staff are not recruited regularly against either the existing vacancies or the additional vacancies created due to superannuation of the staff. The existing staff, by virtue of promotion often changes position, post and level irrespective of their service capacity.

Thus, mechanism for capacity development/enhancement at regular intervals of the employees to educate them of their roles and responsibilities, was not present either in the ULBs or in the Directorate of UDD.

During the exit conference, the State Government assured that the matter will be looked into.

6.6 Summary of Audit Findings

- Powers for recruitment of personnel for the ULBs was vested with the State Government.
- Powers to regulate classification, method of recruitment, conditions of service, pay and allowances, initiate disciplinary action on staff of ULBs, transfer staff across ULBs or to other Government departments, are with the State Government.
- The sanctioned strength of ULBs per 1000 population varied from 03 to 11.7 employees per 1,000 population (as per 2001 census). This ratio fell to 0.5 to

⁹ (i) 'Transparency and Accountability in Government Financial Management' in October 2019;
(ii) 'Implementation of PFMS' in October 2019.

10.4 employees per 1,000 population (as per 2011 census) in the test-checked ULBs. Revision in the sanctioned strength was not done in proportion to the increase in population.

- Huge vacancies across all cadres specifically in crucial technical posts resulted in absence of adequate manpower adversely impacting the delivery of citizen services.
- No mechanism of capacity building either in the ULBs or in the Directorate of UDD for enhancement of working quality of official.

6.7 Recommendations

In the light of the audit findings, the State Government may like to consider:

- (i) entrusting the power of recruitment with the ULBs so that they can perform the function without any hurdle;
- (ii) giving emphasis to fill all the vacant posts in the ULBs at the earliest;
- (iii) revising the sanctioned strength in accordance with the responsibilities and resources of the ULBs; and,
- (iv) initiating capacity building programmes at the ULBs level as well as at Directorate level, as soon as possible.

