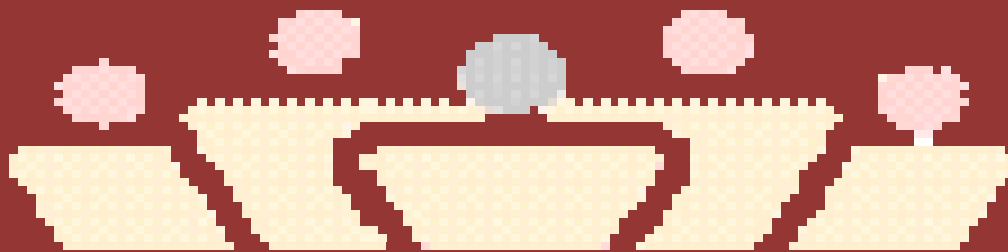


Centre of Excellence for Local Governance

Detailed Project Report



Ministry of Panchayati Raj
Government of India

November 2010

<http://panchayat.gov.in>

Centre of Excellence for Local Governance

Detailed Project Report

Ministry of Panchayati Raj
Government of India

November 2010

<http://panchayat.gov.in>

FOREWORD

National Institute of Panchayati Raj (NIPR) as an apex Centre of Excellence on Local Governance, as distinct from the existing National Institute of Rural Development, was mooted way back when the subject of Panchayati Raj was handled in the Ministry of Rural Development. However, the proposal could not be pursued to the logical end.

2. Now that the Ministry of Panchayati Raj has an independent existence and the subject of Panchayati Raj has become a major national agenda, the need for NIPR is being felt acutely. In the Advisory Group meeting held on 5th Oct.,10, there was a general consensus on setting up an apex institution in the country that could provide intellectual leadership in the area of Panchayati Raj. Members shared their thoughts on the proposed institution, with particular reference to the institutional mandate, stakeholder analysis, positioning in terms of focus areas, institutional setup, management structure, infrastructural aspects, risk mitigation, implementation plan, and the funding possibilities. The Group also highlighted its concerns about the long-term sustainability of the proposed institution.

3. The key points that emerged in the discussions of the Advisory Group are as follows:

- The CoE should be fully independent and autonomous institution, and not an appendage to an existing institution;
- The CoE should provide professional assistance to the Central ministries, State governments, PRIs, and other stakeholders, and attend to the issues related to both Panchayati Raj and district administration, which have to work in harmony;
- The CoE must have holistic and multi-sectoral approach while dealing with issues related to the local governance. Therefore, while MoPR will play the catalytic role at the initial stages, the CoE should not be attached to any ministry, including MoPR;
- The PPP mode in the establishment of the CoE and its co-location with a reputed national institution may be explored;
- In terms of structure and size, the CoE should be lean and operate in a business mode, and not the traditional service mode;
- On the issue of staffing, the guiding principle should be meritocracy. The personnel should be engaged on the tenurial or contract basis for a fixed duration (say, 3 to 5 years). There should be performance based extension, without any assurance of life-time continuation on the positions;
- On the issue of positional nomenclature, moving away from the traditional positional titles such as “Director” etc that indicate positional hierarchies, the CoE should consider titles such as “Fellows” etc that are perceived as free from the positional hierarchy load;

- Considering the spread and enormity of the task, synergy with the existing institutions (national/State/district level) should be ensured by either creating chairs or having memorandum of understanding (MoU), with shared action plans and clearly laid out roles and responsibilities;
- At the functional level, the institution should go beyond the managerial role, and engage with fundamental issues concerning democratic local governance. Apart from development (such as those concerning basic utilities, National Resource Management, livelihood, education, health etc), it should lay emphasis on evidence based action research to contribute towards policy and decision making, peoples' mobilization for the empowerment of both people and PRIs, system building with focus on laying of frameworks for the Capacity Building & Training of PRIs, State Finance Commission, State Election Commission, District Planning Committees and convergence of development initiatives;
- The CoE should aim to become a repository of knowledge concerning local governance. The overall goal is to create a fine balance between Panchayats delivering on development goals, while becoming effective tier of governance;
- The CoE must build a network of formalized relationships with various international, national and State level institutions, dealing with issues related to urban development, health, education, nutrition, etc. and not be limited to the local governance only;

4. In his concluding remarks, Dr. N C Saxena strongly supported the idea of a national level local institution that looks into the whole issue of local governance, including district level governance. He added that such institution should take care of both PRIs and ULBs and contribute towards achieving the national development goals, including effective delivery of services, such as water, education, other micro development programmes. Further, while at the initial stages MoPR has to play the leading role, a strong role for the governing board and the true autonomy of the institution are critical for excellence.

5. In the above background, a Detailed Project Report has been prepared for the proposed NIPR. I hope this Institute would one day be a reality and provide much needed intellectual & other leadership in the area of local governance.

6. I deeply appreciate the hard work put in by Shri Sudhir Krishna (Additional Secretary), Shri Sanjeev Sharma (National Project Manager) and M/s PricewaterhouseCoopers.

A.N.P. Sinha,
Secretary, Ministry of Panchayati Raj

Table of contents

Foreword	I
1 Executive Summary	1
2 Introduction	15
2.1 Background to the study	15
2.2 Methodology	15
2.3 Report Structure	16
3 Background.....	17
3.1 Introduction.....	17
3.2 Key imperatives for Institutional Support.....	20
4 Stakeholder Analysis- Institutional Support Framework.....	22
4.1 Introduction and Context.....	22
4.2 Key Players- Institutional Support.....	22
4.3 International Inferences- Institutional Support to Local Governments	24
4.4 Inferences- Role and Scale of National Institutes.....	26
4.5 Models of Think Tanks.....	27
4.6 Key Institutional features for sustained excellence.....	28
4.7 Need to Strengthen the Institutional Support Framework.....	30
4.8 Need emerges for a National Centre	31
5 Centre of Excellence- Broad Contours	33
5.1 Center of Excellence: Vision, mission and objectives.....	33
5.2 Operating Model	34
5.3 Creating and sustaining excellence in CoE.....	42
5.4 Going forward.....	45
6 Institutional Setup and Organisation Structure	46
6.1 Legal Structure of the proposed CoE.....	46
6.2 Housing options.....	47
6.3 Organisation Structure and Staffing	49
7 Infrastructure.....	58
7.1 Capital (Non-recurring) expenditure.....	61
7.2 Recurring Expenditure	62
7.3 Revenues/ Income of the CoE	63
7.4 Project Financing	64
8 Risk Mitigation and Implementation Plan.....	65
8.1 Risks and possible mitigation measures	65
8.2 Performance Assessment framework	66
8.3 Implementation	67
Annexure A- Terms of Reference	71

Annexure- B: List of Stakeholders consulted.....	72
Annexure C- Bibliography	75
Annexure D – List of websites referred	78
Annexure E: Role of Ministries.....	79
Annexure F: Sample vision and mission statements of other Centers of Excellence	85
Annexure G- Comparison of Three Forms of Registration	88
Annexure H: Roles and Responsibilities	90
Annexure I: Assumptions Sheet.....	94
Annexure II :Draft advertisement for the position of the CEO	100
Annexure III: Illustrative list of institutions for networking	101

Disclaimer

The primary use of this report and its contents is to present the fundamentals and broad contours of the proposed Centre for Local Governance.

The opinions contained in this report are based on the facts, assumptions, and representations stated herein. Our assessment and opinions are based on the facts and circumstances provided/collected during our meeting with the officials and research from sources in public domain held to be reliable. If any of these facts, assumptions or representations is not entirely complete or accurate, the conclusions drawn therein could undergo material change and the incompleteness or inaccuracy could cause us to change our opinions.

The procedures we carried out in performing the work that forms the basis of this report were not such as to constitute an audit. As such, the content of this report should not be considered as providing the same level of assurance as an audit.

PwC disclaims all liability to any third party who may place reliance on this report and therefore does not assume responsibility for any loss or damage suffered by any such third party in reliance thereon.

This report is provided on the basis that it is for the use of the Ministry of *Panchayati Raj* and the UNDP only and that it will not be copied or disclosed to any third party or otherwise quoted or referred to, in whole or in part, without PwC's prior written consent. Furthermore, PwC will not be bound to discuss, explain, or reply to queries raised by any agency other than the intended recipient of this report.

'PricewaterhouseCoopers' refers to PricewaterhouseCoopers Private Limited, India, or, as the context requires, other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

List of Acronyms			
ACELG	Australian Centre of Excellence for Local Government	IIPS	International Institute for Population Sciences
ARC	Administrative Reforms Commission	IPWEA	Institute of Public Works Engineering Australia
ATIs	Administrative Training Institutes	IRMA	Institute of Rural Management Anand
CAA	Constitutional Amendment Act	IPPR	Institute of Public Policy Research
CBOs	Community Based Organisations	IPE	Infrastructure Professionals Enterprise
CBT	Computer Based Training	ISF	Institutional Support Framework
CSIS	Center for Strategic and International Studies	KILA	Kerala Institute of Local Administration
CMRG	Change Management Resource Group	KM	Knowledge Management
CSIS	Center for Strategic and International Studies	LGMA	Local Government Managers Australia
DGHS	Directorate General Of Health Services	LGAR	Local Government Analysis and Research
DPC	District Planning Committee	MDRG	Management Development Resource Group
DRDA	District Rural Development Agency	MoPR	Ministry of <i>Panchayati Raj</i>
e-GRG	e-Governance Resource Group	MoU	Memorandum of Understanding
ETCs	Extension Training Centres	MoHFW	Ministry of Health and Family Welfare
ER	Elected Representative	MLA	Member of the Legislative Assembly
EWRs	Elected Women Representatives	MP	Member of Parliament
FMRG	Financial Management Resource Group	NABARD	National Bank for Agriculture and Rural Development
FGD	Focus Group Discussion	NCBF	National Capability Building Framework
GRG	Governance Resource Group	NCAER	National Council of Applied Economic Research
HDRG	Human Development Resource Group	NGO	Non-government organization
HFWTC	Health and Family welfare Training Centres	NIHFW	National Institute of Health and Family Welfare
ICLD	Swedish International Center for Local Democracy	NIPFP	National Institute of Public Finance and Policy
ICSSR	Indian Council of Social Science Research	NISG	National Institute of Smart Governance
ICMR	Indian Council of Medical Research	NIUA	National Institute of Urban Affairs
IDS	Institute for Development Studies	NIRD	National Institute of Rural Development
IDeA	Improvement and Development Agency for Local Government	PESA	The <i>Panchayats</i> Extension to Scheduled Areas
IEG	Institute of Economic Growth	PRIA	Society for Participatory Research in Asia
IGNOU	Indira Gandhi National Open University	PR	<i>Panchayati Raj</i>
IIMs	Indian Institute of Management(s)	PRIs	<i>Panchayati Raj</i> Institutions

List of Acronyms			
IIPA	Indian Institute of Public Administration	PSU	Public Sector Undertaking
IIT	Indian Institute of Technology	PwC	PricewaterhouseCoopers Pvt. Ltd.

1 Executive Summary

Background to the study

The Ministry of *Panchayati Raj* (MoPR) has been actively involved in promoting the agenda for reforms to strengthen local governments and local governance in India. In order to further strengthen the institutional support framework for local governance, MoPR is considering establishing a Centre of Excellence for Local Governance (CoE) and has mandated PricewaterhouseCoopers Pvt. Ltd. (PwC) to prepare a detailed project report for the proposed entity.

The study bases its findings on a mix of primary and secondary research, field visits and discussions with UNDP coordinators. Interviews/discussions were carried out with a wide range of stakeholders including Central Ministries, State governments, NGOs, national level institutions like NIRD, SIRDs, institutions working on *Panchayati Raj*, experts on *Panchayati Raj* (PR) in the country etc.

Challenges

Panchayati Raj Institutions (PRIs) and local self government bodies in general, face several challenges, many of which are well documented. Some of the important ones include the following:

- Inadequate devolution of 3Fs- Funds, Functions and Functionaries
- Limited capacity building for executing local governance
- Constitutional scheme relating to local governance- including delays in constituting local government, holding elections, reluctance to effectively empower local self government bodies, reluctance/delays in constituting District Planning Committees
- Weaknesses in decentralized/integrated planning limiting the scope for determining and addressing local priorities
- Limited role/involvement of PRIs in implementation of projects under Centrally Sponsored Schemes

Institutional Support Required

Panchayati Raj Institutions and local self government bodies in general, therefore need wide ranging institutional support. Some of the important areas include:

- Policy and action research on issues such as devolution of 3Fs, socio-political impact of their performance, practices for conflict management on governance issues etc.
- Creating networks of *Panchayati Raj Institutions and* local government **elected representatives**- physical and virtual, and extending these networks to international networks over a period of time.
- Providing a platform for knowledge management in the PR and local governance space including collation and dissemination of a body of knowledge including best practices/innovations/case studies.
- Developing innovative mechanisms for creating a resource pool which the various training and capacity building institutions can leverage. This would include support to provide for an independent review of the National Capability Building Framework (NCBF) from time to time, independent assessment of the impact of training methodologies, looking at various means to leverage and deploying technology for better governance, capacity building etc.
- Developing a basket of performance measures for PR and local governance, collating reliable statistical data on PRIs and local self government bodies' performance and making it available in a form conducive to policy development and research.

Key Institutions supporting *Panchayati Raj* and local governance

There are a wide range of stakeholder categories in India which support *Panchayati Raj* Institutions and local self government bodies directly or indirectly. These include the Central Government Ministries, State Government Departments, Research/Academics groups, Universities, Government training

institutes, NGOs and Multi/bilateral agencies. The Ministry of *Panchayati Raj* is the nodal agency of the Government of India looking after the process of decentralization and local governance in the country and focuses on *Panchayati Raj* related matters. The Ministry of Urban Development facilitates local governance in the urban space. It focuses on policy initiatives to strengthen urban local governance, enhance capacities of Urban Local Bodies (ULBs) for integrated urban development and developing long term vision for the cities etc. There are several other Ministries which drive the policy framework and design programmes in areas which are envisaged by the constitution to be implemented by the PRIs. At the state level the *Panchayati Raj* Departments spearhead the implementation of policies related with PR and local governance along with support from other stakeholders. Other organisations such as National Institutes in rural development/urban development, NGOs, Research organizations, Government training institutions etc support PRIs and local self government bodies through the following activities:

- advocacy and public debate (activism, community organizing, lobbying, public interest litigation etc)
- implementation support (project development and execution, technical support, project appraisal)
- monitoring and commentary (survey of devolution status, governance reform, public management)
- outreach (information dissemination, awareness creation, written and audio-visual material)
- research (field and secondary source based, literature surveys, lined to civil society and decentralization)
- training (providing information to communities, building panchayat planning capacities sensitizing officials etc)¹

Inferences from other institutions

An examination of various other institutions such as those supporting local governments in other countries, leading Think Tanks, Centres of Excellence in other areas, provide several inferences for the proposed CoE.

Institutions supporting local governments- Inferences on roles

There are several institutions in other countries which support local governments and deal with local governance issues. There are essentially four categories of such institutions based on affiliation- Association affiliated, University affiliated, Government supported, Autonomous or Independent Think Tanks. The roles performed by these institutions essentially fall in the following categories- Fostering Partnerships, Research, Knowledge Management, Advocacy and Capacity Building and Mentorships.

Leading Think Tanks- Inferences on operating models²

Various studies have attempted to categorise Think Tanks into different models depending upon their mode of functioning and therefore their organization structure. The options for operating models are as follows:

- Model 1-Academic: These Think Tanks tend to conduct research and analysis on a whole range of policy issues (or sometimes in niche areas), are staffed by academics and normally undertake longer term research.
- Model 2-Contract Research Organizations/Contract Consulting: These perform the majority of their research and analysis for government agencies. They have consulting firm cultures and

¹ Source: World Bank- *Panchayati Raj* Institutions in India - A Scoping Study for the World Bank

² Source: (adapted from) Think Tanks and Policy Advice in the US, James G McGann

organizational structures and have reward systems, production schedules and products that are determined by their contracts with the sponsoring agencies.

- *Model 3-Advocacy Think Tanks:* These organizations promote a point of view and undertake analysis which often has a sharp partisan edge. They are driven by issue, philosophy and constituency, organized to promote their ideas, apply principles of management, marketing and sales to public policy research, formulate research into a form that meet the needs of busy bureaucrats, politicians and policy makers, produce short, journalistic studies and focus on current legislation or policy concerns.

Other Centres of Excellence- Inferences on institutional features

Some important institutional features of Centres of Excellence include:

- *Autonomy:* from the perspectives of operational, financial, academic and institutional aspects.
- *Focus on quality of outputs:* which include mechanisms for ensuring quality including international assessments and dissemination of research results in internationally recognized publications, peer review of activities, benchmarking studies, conducted by panels of international experts.
- *Strong leadership:* Visionary head of the organization and diversified independent Board.
- *Strong communication strategy:* Targeted communication strategy seeking to actively mould policy preferences.
- Institutional focus on attracting and retaining *best talent*.
- *Strong Information and Knowledge Management system:* Developing internal and leveraging external knowledge bases, methodologies, network of internal and external resources.

Need to Strengthen the Institutional Support Framework

There are gaps emerging in the existing Institutional Support Framework for PRIs and local self government bodies in general, in the country. Some key issues are presented below:

- *Policy Advocacy Support for PR and local governance is relatively weak:* The support for the decentralisation movement /local governance in the country needs to grow significantly in order for the PRIs and local self government bodies in general to perform their role effectively.
- *Capacity building for PR and local governance evolving but requires structural changes:* The present infrastructure for training needs to be revitalized in order to be more relevant for the *Panchayati Raj* and local governance issues. There is a need for an institution to take up the role of preparing a road map for capacity building, evaluation of where things stand from different perspectives and innovations and mechanisms needed to go forward.
- *Information and Knowledge Management support needs considerable strengthening:* There is need for significantly higher level of documentation of best practices, success stories, case studies related to *Panchayati Raj* and local governance. There is need for an organisation which can provide a platform for knowledge management in the PR and local governance space including collation and dissemination of a body of knowledge including best practices/innovations/case studies

- *Research activities in PR and local governance issues need focused thrust:* There is need for significantly higher level of research and many more researchers need to be encouraged to work on PR and local governance issues. There is a need for institutional support which can encourage the body of research going ahead.

In terms of the institutional support framework, considering a whole range of gaps emerging, there are a range of interventions that are required and therefore multiple institutional measures are needed including:

- Strengthening and reorienting existing institutions.
- Creating new institutions at regional/state level
- Networking these institutions to optimize their activities

However, in order to provide a clear roadmap for the emerging institutional support framework for PRIs, there is a need for a national centre to orient and bring prominence to *Panchayati Raj* and local governance. There clearly emerges a need for an institution which can be called a “**thematic leader**” in PR and local governance issues in the country and can effectively address the need for:

- **Policy dialogue:** An influential Think Tank which ensures that *Panchayati Raj* and local governance effectively figures in *policy discussions at various levels of governance and policy making*, e.g. by providing policy briefs, organising national conferences, participating in various discussions in media and other important forums;
- **Reliable knowledge/ information/statistical data:** A provider of *reliable, consolidated and accessible knowledge/information/statistical data* on PRIs and local self government bodies in general, in India, that form the basis for *policy decisions*; e.g. publicly accessible database, research reports, impact assessment reporting etc;
- **Coordinator and convener:** A key *coordinator and convener* of the various relevant stakeholders of PR and local governance in India, e.g. by organising national conferences and regional workshops;
- **New innovative models for PRIs and local self government bodies:** Initiator of pilot projects based on new ideas and action research;
- **Interface to international forums:** *Active partner* in international exchanges, e.g. by publishing policy briefs and consolidated best practice reports, and presenting India’s experiences on local governance in international conferences.

Centre of Excellence- Broad Contours

Institutional mandate

The proposed Centre of Excellence (CoE) would be an autonomous institution and work with, and on behalf of PRIs and local self government bodies and provide professional assistance to the Central ministries, State governments, PRIs, and other stakeholders, and attend to the issues related to both Panchayati Raj and district administration, which have to work in harmony. . The CoE would undertake and facilitate research and capacity development in the areas of Panchayati Raj and local governance and provide policy inputs at the national and state levels for strengthening the PRIs and local self government bodies in the country.

The CoE must have holistic and multi-sectoral approach while dealing with issues related to the local governance. Therefore, while MoPR will play the catalytic role at the initial stages, the CoE should not be attached to any ministry, including MoPR.

Character:

The character of the CoE would be a mix of a Policy Advocacy Model and the Contract Researcher Model and would focus on formulating research into a form that meets the needs of busy bureaucrats, politicians and policy makers, apply principles of management, marketing and sales to public policy research (Policy advocacy orientation) for select themes, but at the same time serve as policy/program consultants, offer objective and quantitative analysis, and in depth research (Researcher model) for select other themes.

Operating Model

Network arrangement- Formal linkages through establishment of “chairs”

The CoE will adopt an innovative network model to carry out its activities to achieve its objectives. There needs to be formal arrangement between the proposed CoE and the peer /network organizations. Therefore it is suggested that the CoE establish “chairs” in the peer/network organizations which are presently working on/may be interested in working on *Panchayati Raj* and local governance issues.

Focused approach on policy advocacy, capacity building and knowledge management

The focus of the CoE and the network of chairs in its initial years will be on research and dissemination, policy advocacy, knowledge management and developing capacity building strategies. Training activity would be focused and specialised rather than large scale. The involvement in education would be more from a perspective of guiding research/M.Phil/Ph.D students rather than conducting post graduate courses.

Clear Road Map for Chair Professionals

It is envisaged that the MoU between the CoE and the host institution would lay down a clear roadmap to expand the activities of the chair into a Centre for PR and local government either in the hosting institute or otherwise.

Segregation of orientation of the CoE and the Chair Professionals

There are different skills sets are required for policy advocacy, vis-à-vis research for capacity building, training etc. It is envisaged that the CoE would have a greater orientation towards policy advocacy and would develop its personnel policies and structure accordingly. This would assist the CoE to effectively perform a policy advocacy role. The Chair professionals would have more of training orientation. The CoE would have the flexibility to appoint personnel with academic and advocacy orientation depending upon the need.

The advantages of the proposed operating model are the following:

- The CoE will have the locational advantages of being based closed to the Central Government Ministries. At the same time, it will have formal linkages with different institutions located in other parts of the country.
- This model provides a clear roadmap for expanding the chairs to regional centres and in some cases to independent institutes over a period of time as a resource pool in the area of *Panchayati Raj* and local governance builds up.
- The structure also provides flexibility for the CoE to select professionals of different skill sets/characteristics.

Selection of Institutions for Chair Professionals

The institutions envisaged as partners for Chair Professionals should be a mix of public and private institutions which will facilitate providing

- Geographical spread
- Diversity of domain/expertise
 - Management - e.g. IIMs
 - Technology - e.g. IITs
 - Rural development – e.g. IRMA, NIRD
 - Public finance - e.g. NIPFP
 - Development economics – e.g. DSE, IEG, NCAER
 - Administration/governance – e.g. LBSNAA, IIPA
 - Finance/ banking - e.g. BIRD, RBI training institution
 - Social science – e.g. TISS, Gandhigram University

Roles and activities of the CoE and the Chair Professionals

The roles and activities proposed for the CoE and the Chair professionals are outlined below.

- Policy advice and guidance to the Ministry and state government departments
Policy advice to the Ministry/ state govt. departments on issues:
 - Strengthen PR system in the country
 - Suggestions on amendments in Acts, as relevant
 - Suggestions on operationalisation of ARC recommendations on amendments of Article 243 G
 - Suggestions on strengthening DPC and promoting integrated planning
 - Suggestions on accelerating and undertaking steps in implementing Panchayati Raj and local governance reforms
 - Reviewing and analysing policies/schemes of Ministries and providing recommendations as appropriate
 - Drawing policy lessons from States and provide suggestion to strengthen reform implementation and devolution of powers
 - Suggestions on implementation of PESA
 - Suggestions on decentralised governance in North-Eastern region
- Support to Ministries/State Government /State training Institutions
 - Support for preparation of model laws and rules on PR system
 - Support for drafting policy documents/policy briefs to MoPR/MoRD and other ministries on matters related to PR
 - Review of the guidelines on various aspects of *Panchayati* Raj functions and provide recommendation as appropriate
 - Develop procedures on reforms implementation on PR in States
 - Develop guidelines and framework for evaluation of reform implementations
 - Develop guideline for benchmarking of service standards and operational efficiencies of PRIs
 - Develop guidelines and toolkits to prepare development plans at *Panchayat* level/block and district level

- Research and action research to support policy advice to Ministry/States
 - Establish collaborations with academic and research institutions
 - Formation of Researchers' Colloquium(ReCoup) to bring together research institutions and individual experts to undertake research activities
 - Support ReCoup to undertake research and action research on local governance, *Panchayati Raj*, rural development, urban development and rural/urban management
 - Draw lessons from research and action research studies and its wider dissemination across multiple stakeholders
 - Draw policy lessons from research findings and advice Ministry to make appropriate changes

- Capacity development
 - Training for human resource development
 - Review the NCBF and suggest modifications from time to time as appropriate
 - Review curriculum and training materials of national and state level training institutions and suggests modifications as appropriate
 - Assist development of curriculum and training materials by national /state level training institutions
 - Develop monitoring & evaluation frameworks to assess the performance of training/resource institutions at national/state level
 - Conduct performance evaluation studies of training/resource institutions at national/state level
 - Prepare toolkits and manuals for training of PRIs as per the requirement and diversified characteristics of PRIs in each States
 - Develop framework for training need assessment of PRIs

- Institutional capacity building
 - Undertake institutional studies to review and assess the human/finance/infrastructure capacities of PRIs through Researchers' Colloquium(ReCoup)
 - Draw lessons from research studies and recommend institutional changes to be made at various levels of PR system
 - Help States to make changes in the institutional framework
 - Develop framework for MIS to track progress of implementation of PR, reforms and schemes
 - Establish web enabled MIS system and prepare user guidelines for States to implement the MIS

- Strengthen E- governance
 - Development of online MIS system for Performance Tracking of PRIs
 - E library: Development of e –library wherein the reports, documents and e books on PR will be made available to the stakeholders
 - E toolkits and manuals on capacity building: Support networking institutions to develop e toolkits and manuals on PR related issues

- Networking and advocacy
 - Establish a forum at national and international levels to share knowledge and experience on PR and local governance

- Establish a Network of Resource Centres(NRCs) at national and state level comprising existing research/training/academic institutions & NGOs to extend technical/capacity building support to PRIs
- Organise state/national/international seminars/workshops/trainings through NRCs
- Knowledge management
 - Develop knowledge bases through research and action research studies by ReCoup
 - Develop knowledge repository on best practices, status of PRIs, reform implications, capacity building measures, data bank on resource institutions/persons, poverty data, programmes/schemes etc. through network of institutions
 - Dissemination of knowledge and information at appropriate forums(national and international)
 - Study local governance system in other developing countries, draw lessons from the studies and incorporate it into the NCBF
 - Knowledge Management (KM) Portal: Development of KM portal which will provide a single window for information on *Panchayati Raj* in India and across the world, best practices, and lessons learnt innovations on governance. The KM portal will have a network with its associates and partners
- Consultancy
 - Provide consultancy services to State/PRI institutions/universities/training institutions/multi-bilateral agencies on local governance, PR, rural development, poverty reduction, institutional development, capacity building, resource mobilisation, financial management etc.
 - Through international networks, undertake consultancy services from developing countries in Asia countries on local governance
- Learning and development
 - Develop curriculum and conduct certificate programmes on project management/institutional development for PRI functionaries
 - Develop curriculum and design diploma programmes on local governance for partner institutes

Though the above roles indicate a focus on *Panchayati Raj*, the CoE is envisaged to look at local governance from a holistic and integrated perspective.

Creating and sustaining excellence in CoE

The CoE should design and embed the following underlying institutional features for sustaining long term excellence:

- Autonomy- Financial and operational autonomy
- Focus on attracting and retaining experienced and competent professionals
- Strong leadership- Visionary Head and Diversified Board
- Collaboration and institutional linkages
- Focus on quality of output- peer reviews, dissemination of research results in recognised publications, benchmarking studies
- Strong communication strategy-emphasis on marketing of ideas, media management, targeted distribution

- Strong Information and Knowledge Management system
- Infrastructure and work ambience

Legal Structure of the proposed CoE

The options considered for the CoE included the following: Society (registered under The Societies Registration Act, 1860), Trust (under The Registration Act, 1908 or The Indian Trust Act 1882) or a Company (under the Companies Act, 1956). It was found that institutes having a similar mandate such as the National Institute of Health and Family Welfare, National Institute of Urban Affairs, IIMs, National Institute of Public Finance and Policy, Institute of Economic Growth have all been established as Registered Societies. Even the recent Centre of Excellence for Natural Resource Management established by NABARD has been established as a Registered Society. Registration as a company is a more organised way of working and therefore has more paper work and compliance requirements. However, it is emerging that a Registered Society provides adequate flexibility for operations as envisaged for the CoE and therefore is the suggested option.

Housing options

There are several advantages of housing the proposed CoE under the administrative control of existing institutions especially in terms of synergies and cost of operations. However in the context of the proposed CoE, it is suggested that it should be established as an independent entity (not under the administrative control of another institute). The rationale for the same is presented below:

- **Autonomy:** Institutions such as the Indian Institute of Management were set up outside the University system because the founding fathers of these institutions wished to provide a unique operation model involving institutional, financial, academic and administrative autonomy. We believe that this argument also holds true for the proposed Centre of Excellence. Considering the primacy intended by the Constitution for PRIs, and the disappointment expressed by many PR activists at the absence of apex level hand holding for them, a different model needs to be evolved by combining the advantages of an autonomous organisation, yet leveraging the strengths of existing organisations. The proposed CoE needs to develop its own unique culture free from any specific legacy of an existing institution.
- **Character/role of the organization:** The role orientation of the proposed CoE is envisaged to be different from any other existing institution in terms of orientation towards policy advocacy. This therefore requires personnel with different skills. Existing organizations may find it difficult to source such personnel within their existing regulations
- **Identity and pre-eminence:** Establishment of a separate institution would provide an **identity as well as pre-eminence** to *Panchayati Raj* as envisaged in the 73rd CAA. An independent national centre would bring the required primacy to PR and local governance issues, and will also serve as a strong symbolic message in this regard.

There is an option of housing the CoE in an existing institution/university as an independent entity. There are advantages in this option on account of easy access to libraries, research facilities, experts, research students etc. This may be considered for the CoE in the initial two-three year period. However subsequently, the CoE has a better opportunity to develop its unique culture in independent premises and therefore is considered the preferable option.

It is however extremely essential for the CoE to have institutional linkages with a University in order to provide an opportunity to its staff to act as “co-guides” to research (M Phil and PhD candidates).

Governance Structure

The governance structure of the CoE is envisaged to comprise of a Governing Board. The governing body may constitute committees for specific purposes on a need basis. Indicatively there may be committees on Policy and Research, Knowledge Management and Capacity Building.

The Governing Board is envisaged to comprise of 15 members. This would include a Chairperson (eminent expert on *Panchayati Raj* Issues or management expert), representative of Ministry of *Panchayati Raj*(1), Ministry of Rural Development (1), Planning Commission (1), Management Expert-(1), representative from Industry- (1), Technology Expert(1) Representatives from Collaborator Institutes- 2 (by rotation), Representatives from eminent agencies in the area of Panchayati Raj and local governance such as NGOs or individual experts- 3 (by rotation), Representatives from *Panchayati Raj* Institutions- 2 (by rotation), Head of the CoE.

Organisation Structure

The Head of the CoE is envisaged to be a domain expert in the area of *Panchayati Raj*/ local governance or Management.

In terms of Horizontal grouping in the organisation structure, it is suggested that the professionals/experts be grouped around the programmes/themes identified by the institute. Some of the suggested themes may include:

- Local Governance
- Panchayat Finance
- Constitutional, Legal and Regulatory
- Capacity Building
- Knowledge Management and Networking
- Public Private Partnership

There six levels are envisaged below the Chief Executive Officer for the core professionals; i.e.

- Director: Head of a programme/theme
- Senior Fellow
- Fellow
- Senior Research Associate
- Research Associate
- Research Assistant

The CoE is envisaged to have a lean staffing pattern. It is envisaged that the core group of professionals would begin with around 14 in number in Y1 and go up to around 42 in Y4. In addition, it is envisaged that 6 Chair professionals would be established in Y1 and by Y5 of operations, 25 Chair Professionals would have been established at various national and regional institutes.

It is recommended that the CoE have the flexibility and focus on sourcing professionals from the market on contractual or even part time basis. Preferably the professional staff should be on contractual basis or tenureial basis for a period of 3-5 years in order to sustain the quality of staff. The support staff should be on contract or outsourced. A search committee should be set up which would be entrusted with the task of carefully handpicking eligible candidates for the faculty and directorial functions. The committee should also given the responsibilities to find excellent persons from the market on their domain.

Infrastructure

The land requirement for CoE works out to around 5 acres. However, during the meeting held on 16 August 2010 to discuss about the draft report under the Chairmanship of Secretary, MoPR, it was

decided that the land of 25 acres may be considered keeping in view prospects of future expansion of CoE . The proposed infrastructure within the plot comprises of the following areas:

- Administrative Area – Offices for professional staff and administrative rooms.
- Instructional Area- where the trainings/seminars/workshops/focus group discussions etc will be conducted.
- Area for Amenities –Utilities area, pantry, toilets, parking etc
- Hostel and Accommodation –Guest houses and Hostels for visiting students

The IT infrastructure at the CoE would comprise of the latest hardware for personal computing and network infrastructure. Besides, to offer support services to the researchers, the Centre would also have advanced software packages for statistical analysis as well as access to various online databases as relevant. It is envisaged that a vendor would be appointed to manage IT services of the CoE and maintain its server network. The IT unit would support all departments at the Centre, including core, accounts, administration, library, etc.

It is important for a research institution to have a well-stocked library with a large collection of books, periodicals, journals, CDs/DVDs, etc. The library would facilitate both research and training, have all necessary subscriptions to newsletters and bulletins, and may also offer reprographic services. Besides the staff members at the Centre, the facilities could also be extended to outside researchers and visiting students.

Financial Plan

Capital (Non-recurring) expenditure

The non-recurring expenditure comprises of one-time expenditure incurred towards establishment of the CoE³ such as civil costs towards construction of buildings, IT infrastructure including procurement of hardware and software including Computers and procurement/ development of software packages for Knowledge Management functions of the CoE.

The construction has been phased over a two year period and would commence once the land acquisition is complete (which is assumed to take around a year). For this purpose, a temporary arrangement in the interim period by way of rented office space would need to be provided.

Apart from administrative building of the institute (with Built Up Area of approx 30,427 sq.ft) for accommodating around 70 staff members (peak strength), library, conference room with a capacity of 100 pax, a Guest House of 8 rooms for accommodating visiting faculty and participants in training programs, Hostel facilities of 20 rooms is considered besides various service areas (reception, pantry, toilets, etc.).

A one-time cost has also been considered for creating a corpus for establishing Chairs at various peer/network institutes at a cost of Rs. 200 Lakh per chair. It is envisaged that 6 chairs would be established in the first year, and by the 5th year of operations, 25 chairs would have been established at various national and regional institutes.

³ It has been assumed that land would be acquired and provided as a grant by the Government for establishment of CoE. However, if CoE has to bear the land cost, the same is estimated to be approx. Rs 193 crore (@ Rs 80,000 per sq yard) for land areas of 5 acres, but may vary depending upon the location

The non-recurring expenditure is estimated at around Rs 54.5 crores spread over five years; i.e. Year 1- Rs. 13.3 crore, Year 2- Rs. 13.1 crore, Year 3- Rs.17.8 crore, Year 4- Rs 14.2 crore and Year 5: Rs. 6.1 crore. This estimate assumes that the land would be made available by the Government free of charge.

Recurring Expenditure

As per estimates, remuneration and salaries is a major expenditure head accounting for almost 39% of the recurring expenditure in the first year and stabilizing to around 21% in subsequent years.

The other major budget heads for recurring expenditure are academic activities of the CoE (which includes training programs and conferences conducted through self or network institutions, documentation and publication costs), travel cost and annual maintenance. Since the core work of the CoE makes it imperative to have state-of-the-art IT infrastructure and knowledge management system, year-on-year expenditure on procuring, modifying and upgrading these systems have also been considered. Other costs include insurance costs for the CoE assets, stationary, consumables, etc.

The total recurring expenditure is estimated to be around Rs 5.7 crore in Year 1, increasing to Rs 29 crore in Year 5 and Rs 37 crore in Year 10, as the scale of activity increases (average Rs 25 crore per annum over a 10 year period).

Revenues/ Income of the CoE

A review of other institutions like NIPFP, ACELG, NIUA, etc. shows that the major income source in the initial years of operation of the institute was through Government grants. The key activities of the institution comprise of research, policy advisory and knowledge management, which would take time to become revenue generating. It is, therefore, envisaged that substantial grant support would be required for the CoE to function till the time the CoE establishes itself in the market and starts generating revenues through consulting activities and academic programs.

There are two options which may be considered for grant support. The first option involves a onetime endowment corpus of Rs.300 crore from the government. The second option involves annual recurring grant from the government to the CoE based on annual budgets prepared by the CoE. The first option is suggested for CoE. This option would provide the flexibility to plan its activities and would facilitate autonomy in its functioning.

Other potential sources of income for the CoE, apart from Central Government allocations could be contributions by State Governments for undertaking specific research activities, funds from multi/bi-lateral agencies and corporate sponsors of Chairs established at the CoE.

Revenues from academic/ training activities and research and consulting activities of the CoE in the later years could be to the tune of around 15-20% of the total income sources.

Involving state governments and private sector in PR

It is recommended that the CoE invite memberships from different state government departments, select industry associations, corporates, etc. This would facilitate the CoE to have acceptance amongst a wider range of stakeholders. Involving the private sectors as members in Governing Board and committees would facilitate a unique opportunity for public- private partnership.

Risks and possible mitigation measures

The major risks for the proposed CoE are as outlined below:

- **Lack of effective cooperation from some key stakeholders:** Support from major stakeholders is crucial for the success of the CoE, as *Panchayati Raj* and local governance cuts across various

domains, different levels of intervention and involves a wide range of political, institutional, socioeconomic, cultural and technical dimensions.

As a possible mitigation measure, the composition of the Board is proposed to be representative (but manageable in numbers) and a formal institutional arrangement such as “Chair professional” been proposed.

- **Inability of the CoE to obtain a visionary leader and attract talent:** Establishment of a high quality institution requires the leadership with a bold vision and the first head of the institution often sets its broad direction. Similarly quality of the staff would determine the institution’s credentials. Discussions with various stakeholders indicate that experts in the *Panchayati Raj* domain are relatively few and spread across many existing institutional support institutions. Therefore attracting appropriate talent for the institution is a risk for the proposed CoE.

The CoE needs to be positioned as a one of its kind institution and a startup which offers opportunities to its professionals to work in a highly challenging area. The MoPR and other promoters of this CoE need to offer autonomy to the Centre. The Chief Executive Officer is envisaged to be a respected domain expert which would also encourage other professionals to be a part of this venture.

- **Centre perceived as an arm of the Ministry of Panchayati Raj and not as a “thematic leader”:** The success of any organisation depends on the extent to which it is able to establish its credibility amongst stakeholders, sponsors, and network institutions. The factors facilitating the credibility include rigor and standards reflected in its research, relevance of insights on the needs of PRIs, calibre and profile of the professional staff, liberal and academic environment of the institution, good relationship with the governmental institutions and strategic partnerships with local, regional and international institutions with similar interests.

The MoPR and other promoters of this Centre need to offer autonomy to the Centre. The CoE needs to take positions based on its independent research and fact finding. The CoE may explore different sources of finances, including private sector, multilateral and bilateral funding agencies, state governments etc

- **Quality of Output, lack of uptake of the Centre’s programs and advice:** There have been questions raised by some stakeholders whether there is a need for the CoE and whether such a Centre would serve any purpose. Another concern raised is whether the CoE would be able to sustain the quality of its outputs and whether there would be any takers for its programs and advice.

The CoE needs to:

- *Develop mechanisms for ensuring quality, including international assessments and dissemination of research results in internationally recognized publications;*
- *Undertake peer review of activities, both internal and external, as a systemic element: The principal elements in the peer review process include the presence of a formal policy, the appointment of a reviewer, the preparation of written comments, and the existence of methods for resolving conflicts between a reviewer and an author.*
- *Undertake benchmarking studies, conducted by panels of international experts, evaluate the Centre’s standing relative to other comparator institutions*

The selection of members of the Board and the Committees needs to be done with adequate diligence to ensure that the best and relevant expertise is available to the CoE. An accountability

framework is suggested to be developed upfront and a strong Management Information framework suggested would help as a risk mitigant.

Self Assessment framework

In order to systematically monitor the impact of the CoE's activities, a self assessment framework is proposed to be developed. The objective of the self assessment framework is to provide timely and accurate feed back on the progress of the CoE's activities and highlight possible risks. This would also help in ensuring transparency and accountability of various participating stakeholders including partner institutes. Some of the common parameters deployed for assessing the performance of Think Tanks⁴ which the CoE could consider include the following:

- Academic reputation (formal accreditation; citations; publication in major academic books, journals, conferences, etc.);
- Media reputation (number of media appearances, interviews, and citations);
- Reputation with policymakers (name recognition with particular issues, number of briefings and official appointments, policy briefs);
- Level of organization's financial resources (endowment, membership fees, annual donations, government and private contracts, earned income),
- Overall output of organization (policy proposals, publications, interviews, conferences, staff nominated to official posts);
- Extent to which respected publishers agree to publish an organization's works;
- Ability to retain elite scholars and analysts;
- Number of recommendations adopted by policymakers, staff serving advisory roles to policymakers, awards given to scholars;
- Organization's ability to produce new knowledge or alternative ideas on policy;
- Ability to bridge the knowledge gap between policymakers and "on the ground" realities;
- Ability to include new voices in the policymaking process;
- Ability of organization to be the hub for or central actor in issue and policy networks; and
- Success in challenging the traditional wisdom of policymakers and the public.

Whereas some of the parameters are quantifiable and may be captured and tracked based on the CoE's normal MIS, many others are based on perception of various stakeholders. In this context, it is suggested that the CoE commission periodic stakeholder surveys on its own performance and seek suggestions from them on improving its performance.

⁴ The Think Tanks and Civil Societies Program, 2008, The "Global Go-To-Think Tanks", January 19,2009, James G. McGann, Ph.D. Director Think Tanks and Civil Societies Program International Relations Program University of Pennsylvania

2 Introduction

2.1 Background to the study

2.1.1 Introduction

The Ministry of *Panchayati Raj* (MoPR) has been actively involved in promoting the agenda for reforms to strengthen local government and local governance in India. In order to further strengthen the institutional support framework for local governance, MoPR is considering establishing a Centre of Excellence for Local Governance (CoE) and has mandated PricewaterhouseCoopers Pvt. Ltd. (PwC) to prepare a Detailed Project Report (DPR) for the proposed entity. An earlier study undertaken for the UNDP, in 2006 on establishing a national centre for local governance had then recommended a dedicated centre for undertaking research and capacity development at local governance level.

2.1.2 Scope of Work

The report is envisaged to bring out the contours of the proposed CoE including

- Vision, Mission and Objectives
- Range of products and services (Area of Operations)
- Scale of operations and phasing
- Revenue streams and resource flows (Financial Plan)
- Governance & organisation structure (Institutional and Organisational Structure)
- Housing options and recommendations
- Manpower and Resource Plan
- Physical Infrastructure
- Marketing
- Broad risk assessment & mitigation options
- Implementation Plan

The study has been envisaged to be undertaken based on a study of issues related to decentralisation and local governance, stakeholder analysis including review of existing institutions providing intellectual leadership on issues of *panchayati raj* and local governance, understanding of international experience related with institutional support for local governance and deriving inferences from other well known Think Tanks etc. Annexure A presents the Terms of reference for this engagement.

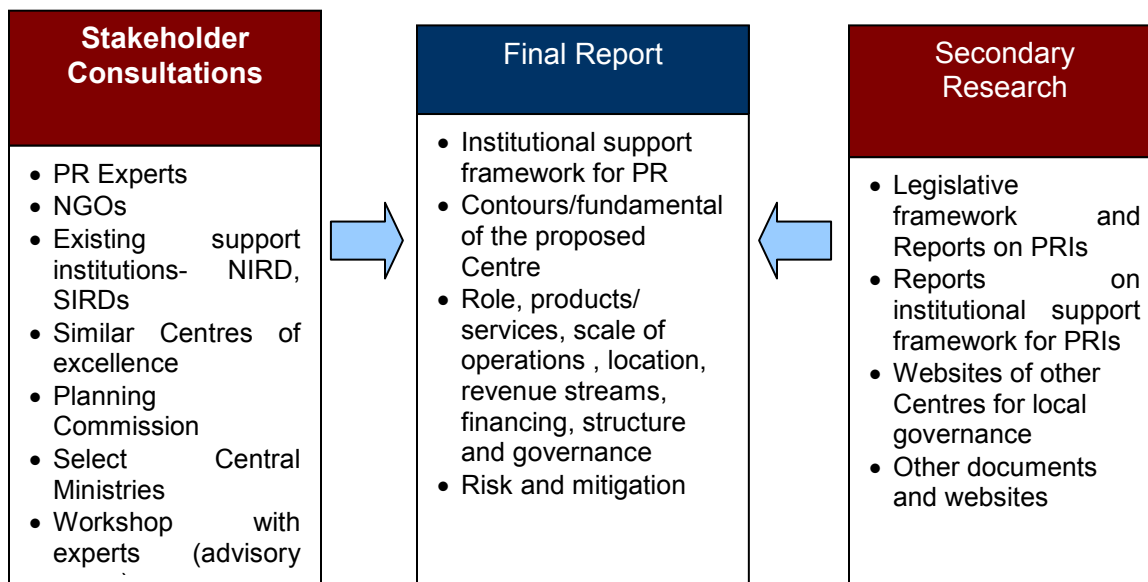
2.2 Methodology

The study bases its findings on a mix of primary and secondary research, field visits and discussions with UNDP coordinators. Interviews/discussions were carried out with a wide range of stakeholders including Central Ministries, State Governments, NGOs, institutions like NIRD, SIRDs, institutions working on PR, experts on PR issues in the country etc. (Annexure B presents the list of stakeholders/experts met). These discussions have brought out key questions that need to be debated in order to define a clearer path for the proposed CoE. In addition to the above, secondary research was undertaken including a review of select PRI related reports, policy guidelines, Planning Commission documents and other relevant discussion papers (Annexure C and D present a list of documents and a list of websites referred). Subsequent to the submission of draft report, there was a presentation to the

senior officials of MoPR, MoRD and UNDP. This was followed by a stakeholder workshop with eminent experts in the field of panchayati raj and local governance. This report appropriately incorporates the comments and suggestions received in the above mentioned workshop.

The broad methodology is depicted in the following Exhibit 1

Exhibit 1: Broad Methodology



2.3 Report Structure

This report is the final report for the engagement and is organised into the following chapters

- Chapter 1: Executive Summary
- Chapter 2: Introduction (this chapter)
- Chapter 3: Background
- Chapter 4: Stakeholder analysis - Institutional Support Framework
- Chapter 5: Centre of Excellence- Broad Contours
- Chapter 6: Institutional Setup and Organisational Structure
- Chapter 7: Infrastructure
- Chapter 8: Financial Plan
- Chapter 9: Risk Mitigation and Implementation Plan

3 Background

This chapter presents a brief overview of *Panchayati Raj* and local governance, select features of *Panchayati Raj* institutions (PRIs) and some challenges in terms of institutional support framework for PRIs and local self government bodies in general, in the country.

3.1 Introduction

Building upon a long tradition of local government structures in India, the 73rd and 74th Amendments to the Constitution (April 20, 1993) constituted a new chapter in the process of democratic decentralization in the local administrative structure of the country⁵. The 73rd & 74th Amendments were a culmination of over four decades of discussion and the work of two national committees- the Balwantrai Mehta committee in 1957, and the Asoka Mehta committee in 1977. While the 73rd Constitutional Amendment Act (CAA) deals with rural local bodies, the 74th CAA deals with urban local bodies.

The 73rd CAA envisaged that the local governments function as institutions of self government with clear mandate and responsibility for the delivery of basic services. In order to achieve this, a multi-tier administrative structure (*gram panchayat* at the village/cluster of villages level, *Panchayat Samiti* at the intermediate level and *Zilla panchayat* at the district level) called *Panchayati Raj* Institutions (PRIs) have been created. The PRIs functioning at sub-state level have been given the mandate to function as independent institutions for local governance for the delivery of basic services to the people in the country side. The 73rd Amendment has widened the scope of the functions of *panchayats* with the assignment of 29 functions which may be transferred by state governments to the *PRIs*.

The Government has taken a number of important steps in moving the *Panchayati Raj* (PR) agenda forward. The strategic areas of focus have been to enhance:

- Citizen participation, transparency and accountability
- Efficiency and effectiveness of Local Governments in local economic development, poverty reduction and service delivery
- Fiscal and financial decentralisation, and
- Monitoring, evaluation and management information system.

However, PRIs and local self government bodies in general, continue to face several challenges which are discussed later in this chapter. In order to appreciate these challenges it is also important to

Select features of *Panchayati Raj* System

- Establishment of a three tier structure (*Village Panchayat, Intermediate and Zilla Parishad*) in states which have a population of 20 lakhs and above.
- Regular elections to *Panchayats* every 5 years.
- Reservations of seats for members and offices for chairpersons to scheduled castes and scheduled tribes in proportion to their population.
- Reservations of greater than 1/3rd seats for members and offices for chairpersons to women.
- A State Election Commission to be constituted in every State and Union Territory (UT), to supervise, direct and control the regular and smooth elections to *Panchayats*.
- Constitution of State Finance Commissions every five years to recommend measures to improve the finances of *Panchayats*.
- To promote bottom-up planning, the District Planning Committee (DPC) in every district has been accorded constitutional status.
- Indicative list of 29 functions which may be transferred by state governments to PRIs provided in the Eleventh Schedule of the Constitution

⁵ Second Administrative Reforms Commission , 6th Report, Local Governance, October 2007

understand the characteristics of the elected representatives in PRIs first, which is presented in the following section.

3.1.1 Characteristics of Elected Representatives in PRIs

It is estimated that there are around 30 lakh elected representatives (ERs) out of which around 12 lakh are women. The Study on elected women representatives (EWRs) in *Panchayati Raj* Institutions (2008) provides some important insights into the characteristics of elected representatives of PRIs in the country. Some of the important ones are presented below:

- **Low to moderate education:** Almost one fifth of the surveyed elected representatives (ERs) are illiterate; around 48% of the elected representatives are educated up to middle school. The educational levels of women representatives are significantly lower than their male counterparts.
- **Reasonable proportion of underprivileged:** The distribution of elected representatives by caste reflects their distribution in the rural population (26% SC, 13% ST)
- **Limited training opportunities:** A large proportion of newly elected representatives (43%) did not have the opportunity to undergo a structured training programme.
- **Large proportion of economically disadvantaged:** Around 47% of the surveyed ERs belonged to the Below Poverty Line category and nearly 30% faced inadequacy of food either throughout the year or for some part of it.
- **Limited Political Exposure:** Only around 20% of the surveyed ERs mentioned that they came from a political family.
- **Operational challenges:** Around 93% of elected representatives reported presence of parallel bodies in their villages and only 38% of these reported being members of one or more than one such body. This statistic is an indicator of the political challenges faced by elected PRI representatives in their normal operations

The above characteristics are indicators of the personal challenges faced by elected representatives of PRIs. PRIs continue to face several challenges many of which are well known and documented. The major challenges faced by PRIs and local self government bodies in general (as understood from discussions and documents such as the Second Administrative Reforms Commission) are presented in the following paragraphs.

3.1.2 Issues, concerns, and challenges

A number of issues, challenges have constrained the functioning of PRIs and local self government bodies in general. Some of the important challenges mainly from the perspective of PRIs are presented below.

Devolution of 3Fs - Funds, Functions and Functionaries

The financial resources generated by PRIs fall far short of their requirements. The local bodies are heavily dependent on Union and State Governments for financial inflows. A major proportion of grants both from the Union as well as the State Governments are specific to schemes and PRIs have limited discretion and flexibility in incurring expenditure. The overall finances of PRIs (such as **resource generation, efficiency of collection, investment, and taxation**), **devolution of funds and the functioning of State Finance Commissions** are areas of challenge for the institutional support framework for PRIs.

Similarly there have been concerns on “functional devolution” to the PRIs by the State Governments. The Second Administrative Reforms Commission (ARC), 6th Report, states that “*only minor civic functions have been exclusively assigned to local self government bodies. All the other so-called development functions assigned to the different tiers of Panchayats are actually dealt with by the line departments of the State Governments or parasatals. Resources as well as staff also remain under the control of the State Government. Therefore effective devolution of functions envisaged in the Constitution has not taken place.*” Activity mapping/functional assignment is a key requisite for decentralisation reforms at the state level, as this forms the basis of clarity on the distribution of functions and, therefore, determining the transfer of funds and technical staff to PRIs. Inadequate progress of activity mapping is considered to be one of the reasons for ambiguity in devolution of powers.

The Second ARC, 6th Report, also observes the following regarding personnel management of PRIs. In most States, *Panchayats* do not have the power to recruit their staff, nor to determine their compensation structure and service conditions. Also due to lack of financial resources, the powers to recruit staff, even in places where they exist, remain grossly underutilised. The *Panchayats* therefore have to depend on the officials of the State Government for support. These give rise to two major consequences - frequent transfers do not allow development of dedicated manpower; and the employees remain under the control of two authorities, which is considered an obstacle in coordinating the activities of various government functionaries in the rural areas.

Capacity building for governance

Capacity building for governance has often been identified by experts as an important thrust area. The National Capability Building Framework prepared by the Ministry of *Panchayati Raj*, Government of India, is an important step in this direction. However the tasks of capacity building of 30 lakh elected representatives, several stakeholders associated with the functioning of PRIs, and developing organisational capacity in terms of strengthening structures and internal systems of PRIs are extremely challenging. In addition, the NCBF itself raises several issues such as (i) preparing and implementing perspective plans within the given time schedule, (ii) relationship between State Institutes of Rural Development (SIRDs) and non-governmental organisations (NGOs), (iii) the right way of training Master Trainers, (iv) rapidly establishing and running distance learning systems, and (v) mechanisms for undertaking impact assessments of capacity building programmes.

In this context, considering that trainer resources are limited and issues related to *Panchayati Raj* are continuously evolving, networking of institutions, knowledge management systems - including consolidation and dissemination of good practices, and linkage to academic research become increasingly important

Constitutional scheme relating to local governance

The ARC Report on Local Governance (6th report) has brought out some concerns on the status of empowerment and functioning of local self government bodies in various states. These include delays in constituting local government, holding elections, reluctance of the State Government, legislators and civil servants to effectively empower local government, reluctance/delays in constituting District Planning Committees, etc. The above indicate the political challenges that PRIs face.

Panchayati Raj is a political system and its elected representatives and functionaries interface with various other levels of the country’s political system and the administrative machinery. In this context there are inherent conflicts which emanate out of ground realities from time to time. How to manage these conflicts is a significant challenge for PRIs.

Decentralised Planning

In many States District Planning Committees (DPCs) are yet to function as envisaged in the Constitution. As indicated by various stakeholders, the DPCs' ability to foster an interface between *panchayats* and their counterparts is limited. Weakness in district planning limits the scope for determining and addressing local priorities.

PRIs in Centrally Sponsored Schemes

The role of *Panchayats* vis-à-vis Centrally Sponsored Schemes is not yet in line with the commitment of the 73rd CAA.

The Manual of Integrated District Planning by the Planning Commission⁶ highlights a key concern in the context of the Central schemes. *"The predominance of centrally sponsored schemes (CSS) and additional central assistance (ACA) mega schemes in the resources envelope of the Centre and the states throws up a major challenge for grounding decentralised district planning. Each of these mega schemes gives detailed prescriptions of planning, implementation and monitoring processes, and these may not all be in tune with each other. While some do envisage district planning, incorporating the broad elements of the generic process, such as a situation analysis, envisioning, fixation of targets, selection of works and monitoring, the institutional mechanisms envisaged continue to bypass Panchayats or at best, seek only a cursory and token linkage. Most such schemes envisage a line department sponsored hierarchy of missions and parallel bodies for actual planning and implementation. Fund flows for implementation of the plan are fully insulated from the state and Panchayat set-up. The only commonality amongst these mega schemes is that most, if not all, envisage a role for the District Collector to tie things up at the district level. Thus typically, district plans are prepared by district line department officials with or without peoples' participation, and are brought before a district mission in which the Collector has the predominant role in decision-making"*.

The limited role of PRIs in central schemes under which the largest local development projects are undertaken is an area of concern.

3.2 Key imperatives for Institutional Support

The institutional support to decentralisation and local governance requires long term sustained commitment, as the journey of reforms is generally arduous. Decentralisation is cross-sectoral in nature and requires multi-dimensional transformation along with political consensus. The above challenges to PRIs and local self government bodies at the functionary level and the organisational level bring out certain key imperatives for support institutions in general in the country.

- 17 years after the promulgation of the 73rd and 74th CAA, PRIs and local self government bodies in general, have yet to find their **identity**. There have been significant challenges faced by PRIs to be accepted in the spirit envisaged by the constitution. The institutional support framework (ISF) for *PR* and local governance must provide **"advocacy support" and open up avenues for policy dialogue as well as advocacy** with policy makers and other influencers and decision makers.
- In order to actually understand the ground realities and understand the socio-political considerations that have prevented PRIs and local self government bodies in general, from performing their envisaged role, the ISF must provide support for **policy and action research** on issues such as devolution of 3Fs, socio-political impact of PRIs, practices for conflict management on governance issues etc. The policy makers at the state and national levels must be adequately informed with

targeted information products which can enable them to design programmes and delivery systems through the PRIs and local self government bodies.

- The fifteenth Anniversary Charter on *Panchayati Raj*⁷ recognises the need for creating networks of *Panchayati Raj* representatives- physical and virtual. Some stakeholders have argued for extending these networks to international networks over a period of time. The ISF must provide support to PRIs and local self government bodies in general, to be **connected/networked** and to leverage specific strengths for the benefit of other PRIs and local self government bodies in general, in the country. The ISF must provide a mechanism for PRIs and local self government bodies in general to get adequate **opportunity to be heard in the policy making process**.
- Many experts/stakeholders have argued for significantly higher level of documentation of best practices, success stories, and case studies related to *PR and local governance*. A knowledge management framework at a national level could provide the necessary momentum to create a “body of knowledge” on PR issues. The ISF must provide a platform for **knowledge management** in the PRI space including collation and dissemination of a body of knowledge including **best practices/innovations/case studies**
- Independent frameworks for performance assessment of PRIs could provide the ground for self assessment as well as evidence of improvement in ground level service delivery. The 2nd ARC, 6th Report observes that *“institutionalising a system of social audit is essential for improving local service delivery and for ensuring compliance with laws and regulations. An effective system of social audit will have to be based on two precepts; first, that service standards are made public through citizens’ charters and second, that periodic suo motu disclosure is made on attainment of service delivery standards by the local bodies. Social audit processes are also important to ensure effectiveness. They should also evolve a suitable framework of social audit clarifying its objectives, scope and methods. Such framework may be evolved in each State through extensive consultations with the civil society organisations and others. The NGOs and Community Based Organisations (CBOs) should be given support and encouragement to mobilise the local community in undertaking social audit”*.

Based on discussions with stakeholders, availability of data in many states (both physical as well as financial) is often extremely difficult. The ISF must develop a **basket of performance measures** for PR and local governance, collate reliable **statistical data** on PRI and local self government bodies’ performance in India available and **make it available** in a form conducive to **research and policy development**. Capacity building for local governance has been identified as a major issue of concern and the National Capability Building Framework has been an important step in addressing this. However, continued and sustained effort is required to develop a “**body of experts**” as well as constantly look at the relevance and innovations in implementation of the framework at different levels. The ISF must develop innovative mechanisms for **developing a resource pool** which the various training and capacity building institutions can leverage. The ISF must provide for an independent **review of the NCBF from time to time**, independently assess the **impact of training methodologies**, look at various means to **leverage and deploy technology** for better governance and capacity building.

⁷ Fifteenth Anniversary Charter on *Panchayati Raj* “Inclusive Growth through Inclusive Governance”, April 2008

4 Stakeholder Analysis- Institutional Support Framework

4.1 Introduction and Context

There are several stakeholders which support PRIs and local self government bodies in general, directly or indirectly in performing their role. This chapter examines the institutional support framework mainly from the perspective of PRIs in context of the challenges they face. The chapter also looks at some characteristics of institutions supporting local government in other countries.

4.2 Key Players- Institutional Support

The key stakeholder categories in India which support *Panchayati Raj* Institutions are as follows:

- **Central Government Ministries:** The Ministry of *Panchayati Raj* is a major branch of the Government of India looking after the process of decentralization and local governance in the country and focuses on *Panchayati Raj* related matters. The Ministry of Urban Development promotes local governance in the urban space. It focuses on policy initiatives to strengthen urban local governance, capacities of Urban Local Bodies (ULBs) for resource mobilization and for developing long term vision for the cities etc. The Ministry of Rural Development is responsible for many of the development programmes in rural areas, many of which are envisaged to be implemented through PRIs. Ministries such as Health and Family Welfare, Women and Child Development, Tribal Affairs, Education etc. drive the policy framework and design of programmes in areas which are envisaged by the constitution to be implemented by the PRIs. Annexure E presents the role of various Ministries and major schemes.

The guidelines for Centrally Sponsored Schemes which account for the largest number of special purpose grants extended by the Union Government to States under Article 282 of the Constitution are determined by various ministries of the Central Government. It has been observed by several earlier reports that while “*some of the schemes do give a crucial role to PRIs in implementation, some bypass them and create separate structures. Even the schemes which allow the participation of Panchayats, often do not give them enough flexibility in decision making*”. The Second ARC, 6th Report recommends that each Ministry of the Government of India should undertake activity mapping with regard to its CSSs and identify the levels where activities need to be located; at the ministry level, at the State Government level or at the *Panchayat* level and based on the above findings, scheme guidelines need to be suitably modified.

Therefore in terms of institutional support, **considerable focus of the policy advocacy efforts needs to be concentrated on the Central Ministries**. Presently the Ministry of *Panchayati Raj* is the major organisation spearheading this role. There are some NGOs and funding agencies which are also involved in policy advocacy for PRIs. In general, this is considered to be a weak area in terms of ISF in the Indian context. Therefore there is **scope for strengthening the institutional support in the policy advocacy area**.

- **State Government Departments:** The Departments of *Panchayati Raj* at the state level are largely responsible for executing the policies and plans formulated by the Central Ministry, as also ensuring the devolution of functions, functionaries and funds to the grass root level, and monitoring the activities and tasks assigned to the *Panchayats*. The Departments responsible for other subjects such as health, education, rural development etc are mainly responsible for executing welfare programmes in the state in their respective areas. As these functions are amongst the 29 which may be transferred by State Governments to the *Panchayati Raj* Institutions (PRIs), there is interface of the line departments with the PRIs at different levels.

The State Government is an important stakeholder in the local governance and decentralisation process as their policies and decisions impact key aspects such as devolution of the 3Fs, conduct of elections, constitution of district planning committees and the decentralized planning process. Therefore in terms of institutional support, **policy advocacy efforts are very important at the State level as well.**

- **Government training institutes:** There are several Government institutes/research organisations which predominantly focus on training (and research to a limited extent) in the rural development space but also work in the area of *Panchayati Raj*. Some examples are the National Institute of Rural Development and State Institutes of Rural Development. There are training institutes also under Ministries such as Health, and Women and Child Welfare. In addition there are *Panchayati Raj* Training Institutes in some states which are involved in training of elected representatives and functionaries of PRIs. In addition, there are state training academies such as the Rajasthan State Institute of Public Administration and the Kerala Institute of Local Administration. In many states, there are Extension Training Centres to impart training to the rural development functionaries and elected representatives of *PRIs* at village and block levels. There are over 2,000 Block level PRI Resource Centres in various parts of the country.

Most of the government training institutes have a history of providing training from the perspective of various programmes conceptualized by their parent ministries. The focus is therefore on how to implement the programmes and schemes better. Many reports, including the NCBF have emphasized on the need for revitalising these institutions to meet the specific need of *Panchayati Raj* issues and that of elected representatives. Many of the institutes themselves have expressed the need for larger resource pools, exchange of teaching methodologies, and development of better communication strategies for their training programmes.

Therefore in terms of institutional support framework, there is a **need for an institution** to take up the role of preparing a **road map for capacity building**, evaluation of where things stand from different perspectives and initiating innovations and mechanisms needed to go forward. These could include developing model *curricula* and course content, computer based training (CBT), design of certification courses, developing perspective plans/strategies for states to manage the huge task of continuously training more than 30 lakh elected representatives and 10 lakh official functionaries.

- **Research, Academics groups, Universities:** There are several research and academic groups, universities/management institutes which are often funded by national or state governments, which undertake research and training on PRI issues. These include institutions like IRMA, Centre for Good Governance, Gandhigram Rural University, Indira Gandhi National Open University, etc. In addition, there are specialised national and state institutions such as NIPFP and NCAER which look at decentralisation issues from the perspective of their core areas of public finance and economic research, etc. On the urban side, the National Institute of Urban Affairs looks at local governance issues as well.

The above research and academic groups have several individual experts in the area of PR, but there are none which focus exclusively on PR issues per se. From an institutional support perspective, it is important to develop a body of experts/resource personnel in the country in area of PR and also encourage greater research in this area.

- **NGOs working on PRIs:** These are several large and smaller organisations which work towards strengthening *panchayats'* capacities to support local development needs and local governance in general. Different NGOs work on a range of areas including the following:
 - advocacy and public debate (activism, community organising, lobbying, public interest litigation)

- implementation support (project development and execution, technical support, project appraisal)
- monitoring and commentary (survey of devolution status, governance reform, public management)
- outreach (information dissemination, awareness creation, written and audio-visual material)
- research (field and secondary source based, literature surveys, linked to civil society and decentralisation)
- training (providing information to communities, building *panchayat* planning capacities, sensitising officials)⁸

There are very few NGOs working on PR and local governance as an area of focus. Most others work on PR issues in addition to a range of other areas.

Therefore in terms of institutional support framework, there needs to be an institution which looks at mechanisms to bring in more participation of NGOs towards the cause of decentralisation and PR issues.

- **Multi/bilateral agencies:** Multilateral/bilateral agencies such as the UNDP, GTZ and SDC have focused programmes on decentralisation and *Panchayati Raj* issues. UNDP has a “Capacity development Programme for Local Governance” where the Government counterpart is the Central Ministry of *Panchayati Raj* and other partners include the *Panchayati Raj* departments in Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh. The “Solutions Exchange” platform of UNDP is one of the important knowledge management tools used by stakeholders of PRIs. GTZ has a programme on PRIs in Himachal Pradesh, while SDC has a programme through NGOs in Sikkim, Kerala and Rajasthan and some other states. The World Bank has a Karnataka *Panchayats* Strengthening Project. World Bank is also in discussion with the State of Bihar for a *Panchayat* Strengthening Project. Similarly it also has plans to initiate a *Panchayat* Strengthening project in West Bengal. The major role of the multilateral/bilateral agencies is to provide financial and technical support for the capacity building of PRIs through technical assistance.

4.3 International Inferences- Institutional Support to Local Governments

There are several institutions in other countries which support local governments and deal with local governance issues. A review of literature of institutions supporting local governments presents some key inferences/characteristics

Primary affiliation of the Institution

There are essentially four categories of institutions that support local governments based on affiliation. However very often, there is more than one category of entity involved in establishment of the institution.

- **Association affiliated:** Some examples of this type include the Swedish International Centre for Local Democracy, New Zealand Society of Local Government Managers. Even the Centre of Excellence in Australia has as a part of its consortium, the two largest professional institutes of local government – Local Government Managers Australia (LGMA) and the Institute of Public Works Engineering Australia (IPWEA). The Improvement and Development Agency for Local Government

⁸ Source: World Bank- *Panchayati Raj* Institutions in India - A Scoping Study for the World Bank

(IDeA) is a facility owned by the British Local Government Association and supports councils to improve their services.

- **University affiliated:** Many of the institutions supporting local government are University affiliated. The Centre for Local Governance at the University of Manchester is an example of a University based center and provides a facility for exchange of ideas, education, research and innovation in local government. The Centre of Excellence in Australia is head quartered in the University of Technology, Sydney and also has the University of Canberra as a consortium partner.
- **Government supported:**

There are institutions supporting local governments which are supported or initiated by the Government. The Centre of Excellence in Australia has been an initiative of the Government and the Centre has been given an initial grant of USD 8million. The Institute of Local Governance in Sri Lanka and the National Institute of Urban Affairs in India are examples of Government supported institutions. In the Indian context, most of the National Institutes such as for Public Finance, Economic growth (IEG), Health and Family Welfare (NIHFW) are initiated and supported by the Government.
- **Autonomous or Independent Think Tanks:** There are several autonomous or independent Think Tanks which are “non-government organisations” and started by individuals or group of experts. The US Centre for State and Local Government Excellence whose mission is to “...help state and local governments to become knowledgeable and competitive employers...” is an independent organisation supported by various agencies.

Role

The roles performed by these institutions essentially fall in the following categories:

- **Fostering Partnerships:**

Facilitating networks and partnerships is an important role of organisations like the Information and Development Agency for Local Government (IDeA). It works with national, regional and local partners and helps councils work through local partnerships to tackle local priorities such as health, children’s services and local economic prosperity. In addition, IDeA oversees the networking and information sharing by councillors and managers by managing discussion forums, communities of practice and professional networks. One of the missions of the Centre of Excellence in Australia is to “develop a national network and framework within which local government organisations, government agencies, academic institutions, training bodies and other key stakeholders can collaborate in areas of mutual interest”.
- **Research:** Action Research is one of the important functions performed by institutions supporting local governments. The UK Local Government Analysis and Research (LGAR) Centre is the research and analytic function that supports the Local Government Association and partner bodies. The services include “analysis, research and horizon scanning to support local government policy and operational development and understanding of emerging trends and issues, knowledge management services to guide our customers to appropriate sources of evidence and data and professional advice and help in commissioning and managing research and analysis and support for bodies that champion analysis and research across the local government.” One of the missions of the Centre of Excellence in Australia is “research and development capacity to support policy formulation, drive innovation and help address the challenges facing local government”

- **Knowledge Management:** The Centre of Knowledge provides a research network and a meeting place for Swedish and international participants working with local democracy and decentralisation. IDeA provides knowledge management support for a clearing house, facilitating peer reviews and publication support. IDeA provides a platform for councils to share good practices and establish regional local government networks. The Centre for Florida Local Government Excellence serves as a central clearinghouse and information referral source for state and local governments and publishes and disseminates state-wide its original research and studies.
- **Advocacy:** The objective of action research and knowledge management undertaken by various support institutions contribute significantly raising the relative profile of local governments and making them more attractive to prospective employees. Therefore, most of these organisations also have an important advocacy role
- **Capacity Building and Mentorships:** IDeA uses experienced councilors and senior officers, known as peers, who support and challenge councils to improve themselves. One of the key objectives of IDeA is promote the development of the local government workforce

The above presents the broad range of roles that a prospective Centre of Excellence for local governance could play in India.

4.4 Inferences- Role and Scale of National Institutes

There are several “National Institutes” such as in Public Finance (NIPFP), Health and Family Welfare (NIHFW), Urban Affairs (NIUA), Rural Development (NIRD) etc. An examination of their mandate indicates that all these institutes are envisaged to be Think Tanks, and undertake research, training and in some cases education.

However there are differences in models of operations and focus areas which also have an impact on the scale of activity. There are broadly 2 models emerging in terms of scale and focus of activities

- **Focus on Research and dissemination; limited training; guiding role in higher education:** Institutes such as the NIPFP have predominant focus on research and undertaking specific projects sponsored by various entities. In terms of scale, NIPFP completed around 16 projects in 2008-09 and around 19 projects were ongoing. There were 10 working papers prepared and 8 internal seminar series conducted in the same year. However, in contrast there were only five training programmes with around 150 participants in the entire year. NIPFP is understood to have linkages with IGNOU for M.Phil and PhD programmes. In addition, NIPFP faculty act as co-guides for Ph.D candidates of Delhi University.

Institutes like National Institute of Urban Affairs also focus significantly on research and dissemination activities (it had 19 ongoing projects in 2008-09). It undertakes training programmes through its partner institutes.
- **Focus on training; limited research; significant education activity:** Institutes like the National Institute of Health and Family Welfare (NIHFW) and the National Institute of Rural Development (NIRD) undertake training activity on a significantly larger scale. For example NIHFW has more than 40 training programmes in a year. NIRD trains several thousand personnel in a year. In comparison, it has only 7 ongoing research projects. Also both NIHFW and NIRD have made significant forays into education through Post Graduate courses. The infrastructure and scale of these institutions is, therefore, different from the one required for the other category of institutions.

Any prospective CoE would need to identify its positioning in terms of primacy of role to be played and therefore the scale of the institution itself.

4.5 Models of Think Tanks

Various studies have attempted to categorise Think Tanks into different models depending upon their mode of functioning and organisation structure. The common models adopted include the following⁹:

Model 1: Academic: These Think Tanks tend to conduct research and analysis on a whole range of policy issues, or on niche areas. They typically:

- Have the credibility, support and influence of the academic community
- Resemble academic institutions but are “universities without students”
- Are staffed by academics
- Research on longer time horizons
- Have the same outputs and rewards as academic institutions

Model 2: Contract Research Organisations/Contract Consulting: These are Think Tanks, that perform the majority of their research and analysis for government agencies. They typically:

- Have a policy orientation, and close working relationship with government agencies
- Rely on government contracts
- Serve as policy/program consultants
- Offer Objective and Quantitative Analysis
- Produce policy analysis rather than academic research
- Allow researchers a limited degree of freedom
- Have consulting firm cultures and organisational structures
- Have reward systems, production schedules and products that are determined by the contract

Model 3: Advocacy Think Tanks: These are organisations that promote a point of view and whose analysis sometime has a partisan edge. They typically:

- Are driven by issue, philosophy and constituency
- Are organised to promote their ideas
- Apply principles of management, marketing and sales to public policy research
- Formulate research into a form that meets the needs of busy bureaucrats, politicians and policy makers
- Produce short, journalistic studies and focus on current legislation or policy concerns

⁹ Source: (adapted from) Think Tanks and Policy Advice in the US, James G McGann

- Follow a tight production schedule for outputs/products
- Reward those who can operate on a tight timeline and can produce action-oriented policy briefs

4.6 Key Institutional features for sustained excellence

This study has looked at practices adopted by various Think Tanks and academic institutions. Some of the important ones are presented in the following paragraphs in the context of the CoE

4.6.1 Autonomy

Autonomy of organisations may be seen from the perspectives of operational, financial, academic and institutional. Some of the key inferences on autonomy of academic centres of excellence in the Indian context (IIMs and IITs) are presented below:

Operational/academic

- In IIT, Delhi, all policies related to direct operations of the institute (i.e. academic policies and decisions) lie with the senate and to that extent, there is flexibility in modifying the same in line with emerging stakeholder requirements.
- IIMs are free to decide on the norms and procedures related to academic activities, including aspects such as design of courses, teaching material to be used, method of instruction, evaluation, collaboration with other agencies, relevant research and consulting, and design and control of the admissions process.

Institutional autonomy

- The flexibility in internal working environment, active involvement of professional staff in key decision making process related to major academic decisions and strong faculty governance system have been key factors in growth and development of the IIMs and IITs.
- The IIMs have a system wherein faculty members are considered as “colleagues”. The Chairpersons of the subject areas are “coordinators” and their role is to facilitate rather than adjudicate. Faculty members are permitted multiple memberships in different areas and groups so as to enable them to work in different disciplines and enhance their potential.

HR and Administrative

- There is a provision for faculty to retain a portion of the consulting fee from the assignments undertaken by them. This provides an element of flexibility in compensation for faculty members.
- Administrative decisions at IIMs such as recruitment of faculty, specification of qualifications, experience and competencies required, job descriptions, organisational structure are decided at the Director level.
- Administrative posts such as Director and Dean are for fixed periods and often the incumbents return to their position of faculty members after their tenure. This provides an opportunity for a larger number of faculty members to obtain experience in administrative posts

4.6.2 Focus on quality of outputs

Centres of Excellence typically have a strong focus on the quality of output. Some of the institutional practices adopted include:

- Mechanisms for ensuring quality, including international assessments and dissemination of research results in internationally recognized publications;
- Peer review of activities, both internal and external, as a systemic element. The principal elements in the peer review process include the presence of a formal policy, the appointment of a reviewer, the preparation of written comments, and the existence of methods for resolving conflicts between a reviewer and an author.
- Benchmarking studies, conducted by panels of international experts, evaluate the Centre's standing relative to other comparable institutions

4.6.3 Strong leadership- Head of the organisation and diversified independent Board

Many Centres of Excellence have had visionary leaders who were widely recognized by peers and who possessed excellent management skills to guide and lay down the values of the organisation. Therefore the selection of the leadership often defines the path the institution takes.

Many Centres of Excellence have strong independent Board members who have represent diverse fields relevant to the functioning of the organisation.

4.6.4 Strong communication strategy

Centres of Excellence and Think Tanks place significant emphasis on marketing of ideas. One of the important functions is to “educate policy makers”. Think Tanks look at actively moulding public opinion and policy preferences and choices of leaders .They have therefore to be far more effective educators. As such a targeted communication strategy is an important factor in the success of Think Tanks.

“Think Tanks¹⁰ have a strong media management strategy which includes press conferences, press releases, and working with individual reporters to get stories published, short public service announcements, and appearances on TV and radio talk shows. Think Tanks on average work diligently to feed stories to the media and participate on TV and radio shows.”

In a survey of Think Tanks¹¹, over 80% of the Think Tanks had a “targeted strategy for distribution of their publications including had delivering “concise topical material”. Also two third of the surveyed Think Tanks spent 20% of professional time in writing for publications, articles and books.

4.6.5 Institutional Focus on attracting and retaining best talent

Centres of Excellence are essentially “people’s” organisations and therefore spend considerable energy in attracting and retaining the best talent. This is reflected in focussed HR and administrative policies such as

- Merit-based hiring and promotion;
- Nurturing of new generations of talent;
- Flexibility and merit based compensation; and

¹⁰ (adapted from)Think Tanks and Policy Advice in the US, James G McGann, Foreign Policy Research Institute, August,2005

¹¹ Source: Managing Think Tanks- Practical Guide for Maturing Organisations, Raymond J Struyk

- Strong orientation towards training and internal capacity building

4.6.6 Strong Information and Knowledge Management System

Policy research and advocacy rely strongly on knowledge bases, methodologies, and leveraging networks of internal and external resources. The highly ranked Centres of excellence/Think Tanks have high levels of focus on knowledge management systems embedded in their normal day to day functioning. Creation of Virtual networks of excellence (VNE) is often a thrust area for Centres of Excellence.

It is important that any new institution aspiring to become a Centre of Excellence keep these aspects in perspective and adopt some of these strategies for sustained excellence.

4.7 Need to Strengthen the Institutional Support Framework

4.7.1 Gaps emerging in the Institutional Support Framework

This section examines whether there is a need for a “Centre of Excellence” in the area of PR and local governance. Some of the important issues which have emerged based on the analysis of the institutional support framework for *Panchayati Raj* and the challenges faced by these institutions are presented below.

- **Policy Advocacy Support for PR and local governance is relatively weak:** Discussions with stakeholders and secondary research indicate that this is a very important area but at present not many organisations are actively performing this role. Support for the decentralisation movement and local governance in the country needs to grow significantly in order for the PRIs and local self government bodies in general, to perform their role effectively.
- **Capacity building for PR and local governance evolving but requires structural changes:** The present infrastructure for training needs to be revitalized and augmented to be effective for the *PR* and local governance issues. There is a need not only to enhance the training infrastructure, but also look at different modes of training using technology, in order to cater to such a large and spread out audience. In addition, there is a **need for an institution** to take up the role of preparing **a road map for capacity building**, evaluation of where things stand from different perspectives, and initiate innovations & mechanisms needed to go forward. These could include developing model curricula and course content, computer based training (CBT), design of certification courses, developing perspective plans/strategies for states to manage the huge task of continuously training more than 30 lakh elected representatives and 10 lakh official functionaries.
- **Information and Knowledge Management support needs considerable strengthening:** There is need for significantly higher level of documentation of best practices, success stories, and case studies related to *PR* and local governance. There is need for an organisation which can provide a platform for **knowledge management** in the PRI space including collation and dissemination of a body of knowledge including **best practices / innovations / case studies**.
- **Research activities in PR and local governance issues need focused thrust:** There is need for significantly higher level of research and induction of many more researchers to work on PR and local governance issues. There is a need for institutional support which can encourage the body of research going ahead.

4.7.2 Multiple institutional measures needed:

In terms of the institutional support framework, considering a whole range of gaps emerging, there are a range of interventions that are required which would need multiple institutional measures including

- **Strengthening and reorienting existing institutions:** Many of the existing institutions have had mandates emanating out of the roles of their parent Ministries. Some of these organisations are re-examining their role and their operating model in context of the emerging changes.
- **Creating new institutions at regional/state level:** The gaps in the institutional support framework require several new institutions being created not only to meet the training needs of PRI elected representatives and functionaries, but also to undertake policy advocacy, knowledge management, and developing capacity building strategies at regional and national levels.
- **Networking these institutions to optimize their activities:** formal and informal arrangements amongst institutions supporting local governments are needed. Internationally, many institutional support organisations have been created as consortia, thereby bringing in expertise from academia (universities), associations (practitioners) and government. In the Indian context, the challenge therefore is to leverage the expertise and infrastructure available to effectively create that network.

However, in order to provide a clear roadmap for the emerging institutional support framework for PRIs, there is a need for a national centre which is elaborated in the following section.

4.8 Need emerges for a National Centre

4.8.1 Thematic Leader

In order to bring due prominence to *Panchayati Raj and local governance*, it is necessary to have a National Centre/Think Tank which can plan and guide the institutions supporting PRIs and local self government bodies going forward. There clearly emerges a need for an institution which can be called a “**thematic leader**” in the PR and local governance issues in the country and can effectively address the need for:

- **Policy dialogue:** An influential Think Tank which ensures that *Panchayati Raj* and local governance effectively figures in *policy discussions at various levels of governance and policy making*, e.g. by providing policy briefs, organising national conferences, participating in various discussions in media and other important forums.
- **Reliable knowledge/ information/statistical data:** A provider of *reliable, consolidated and accessible knowledge/information/statistical data* on PRIs and local self government bodies in general, in India, that form the basis for *policy decisions*; e.g. publicly accessible database, research reports, impact assessment reporting etc
- **Coordinator and convener:** A key *coordinator and convener* of the various relevant stakeholders of PR and local governance in India, e.g. by organising national conferences and regional workshops;
- **New innovative models for PRIs and local self government bodies:** Initiator of pilot projects based on new ideas and action research

- **Interface to international forums:** *Active partner in* international exchanges, e.g. by publishing policy briefs and consolidated best practice reports, and presenting India's experiences in international conferences.

4.8.2 Orientation towards Policy Advocacy and Research Models

The characteristic of the proposed CoE would emerge more in terms of orientation towards the policy advocacy and policy research models rather than the academic model considering the specific gaps in the institutional support framework.

The policy advocacy orientation would give the local governance cause a major fillip and in terms of positioning, this could be one of the major differentiating elements for the proposed CoE vis-à-vis any other organisation supporting PR and local governance in the country.

The "research" orientation is required to support detailed studies on issues such as devolution of 3Fs, socio-political impact of PRIs and local self government bodies, practices for conflict management on governance issues. It would also present independent reviews of the national capability building framework from time to time, independently assess the impact of training methodologies, look at various means to leverage and deploy technology for better governance and capacity building.

This is a significant challenge and therefore the CoE needs to be designed and structured carefully.

5 Centre of Excellence- Broad Contours

This chapter presents the broad contours of the proposed Centre of Excellence including the drafts of the vision, mission and objectives. This chapter also presents the roles and portfolio of services, the proposed interlinkages of the CoE with other stakeholders and indicative physical targets it could strive to achieve.

5.1 Center of Excellence: Vision, mission and objectives

5.1.1 Institutional mandate

The proposed Centre of Excellence (CoE) would be an autonomous institution and work with, and on behalf of PRIs and local self government bodies and provide professional assistance to the Central ministries, State governments, PRIs, and other stakeholders, and attend to the issues related to both Panchayati Raj and district administration, which have to work in harmony. . The CoE would undertake and facilitate research and capacity development in the areas of Panchayati Raj and local governance and provide policy inputs at the national and state levels for strengthening the PRIs and local self government bodies in the country.

The CoE must have holistic and multi-sectoral approach while dealing with issues related to the local governance. Therefore, while MoPR will play the catalytic role at the initial stages, the CoE should not be attached to any ministry, including MoPR.

5.1.2 Vision and Mission

Select draft Vision and Mission statements for the CoE are outlined below for consideration. This may be finalised by the Governing Board of the CoE once it is constituted.

Vision

1. To revitalize decentralised local governance in India so as to ensure economic empowerment and social justice for the people, or
2. To be recognized as an influential thematic leader in the area of Panchayati Raj and local governance and a decisive contributor to Panchayats and local self government bodies in general, becoming instruments of economic empowerment and social justice as envisaged in the constitution.
3. To enable the Local Bodies to emerge as institutions of self governance with an objective of achieving economic development and social justice through a process of participatory planning, development and governance. The ultimate goal is to enable the citizens to lead a decent dignified human life in harmony with society and nature.

Mission

1. To enable the Panchayati Raj Institutions and local self government bodies in India to achieve the pre-eminence enshrined in the Constitution for them through innovative research, policy advocacy, knowledge management, capacity building and education, or
2. To be a think-tank, catalyst and innovator in research, policy advocacy, knowledge management and capacity building for Panchayati Raj Institutions and local self government bodies in general, in India to become effective instruments of good governance.
3. To extent all possible support to all stakeholders who are involved in the process of decentralization and demonetization through its socially relevant research, active policy advocacy, capacity building, knowledge management, and building support structure.

4. It will enable all stakeholders to support Local Bodies to emerge as institutions of self governance to achieve the stated goals in the constitution of India. All activities are directed towards mobilizing people more particularly the marginalised for self governance and community development which inclusive of development of the poor and other marginalised.

5.1.3 Objectives

The CoE would be positioned as an innovator in the PR and local governance space in the country, and would have the following objectives:

- To generate policy oriented research and analysis in the area of *PR and local governance* to enable policy makers to take informed decisions.
- To institutionalise knowledge sharing in *PR and local governance* for promoting informed debate based on best practices and knowledge
- To develop innovative approaches for capacity building of PRIs and local self government bodies
- To develop a pool of professionals and researchers of *PR and local governance* issues
- To develop better quality models of service delivery of various government schemes through PRIs and local self government bodies. This would include design, implementation, monitoring standards, and capacity building aimed at increasing funds absorption capability.
- To assist in elevating the relative profile of PRIs and local self government bodies in general, and advocate for increased devolution of 3Fs to them.

5.2 Operating Model

5.2.1 Guiding Principles for operations

The underlying guiding principles would form the basis of the proposed operating model for the CoE and are presented below:

- **Innovator:** The CoE would focus on adding value, filling gaps and piloting new initiatives and not compete with or duplicate existing programmes/institutions.
- **Networked:** The focus of the CoE would be on actively seeking the involvement of all those with expertise and ideas to contribute to the development of the PR and local governance in India. The CoE would attempt to focus on key strategic interventions which could bring maximum impact and depend upon its partners to undertake other activities.
- **Practice oriented:** The focus of the CoE would be to promote innovation and policy change through demonstration of practical outcomes. Research in this context would be essential but would be action oriented to achieve the desired outcomes.
- **Mix of Policy Advocacy and Research:** The character of the CoE would be a mix of the “Policy Advocacy” and the “Contract Researcher” models. It would focus on research that meets the needs of busy bureaucrats, politicians and policy makers. It would apply principles of management, marketing and sales to public policy research (policy advocacy orientation) for select themes, and at the same time serve as policy / programme consultants, offer objective and quantitative analysis, and research (researcher model) for select other themes.

5.2.2 Operating Model

Network arrangement- Formal linkages through establishment of “chairs”

It is evident from the stakeholder analysis that the proposed CoE would need to engage extensively with a wide range of peer organisations/institutions. Existing institutions such as NIRD, NIPFP, IRMA, select SIRDs, and administrative training institutes have inherent strengths that need to be leveraged. Therefore it is proposed that the CoE adopt an innovative network model to achieve its objectives. There needs to be formal arrangement between the proposed CoE and the peer organisations. Therefore it is suggested that the CoE establish “chairs” in these institutions/organisations.

The proposed arrangement is as follows:

- The CoE would be established in the National Capital Region comprising a core group of 30-40 experts. This size would provide a manageable scale of activity for the CoE.
- The CoE would establish “chairs” in institutions which undertake work in PR and local governance issues such as NIRD, IIPA, LBSNAA, IITs, IIMs, NEAER, select SIRDs, IRMA, NIPFP etc. The terms of reference of the “chair professionals” would be written jointly by the CoE and the host institute.
- The mandate of the chairs would be to develop regional level expertise so as to become regional centres for *Panchayati Raj* and local governance over a period of time, under the mentorship of both the parent institution and the CoE.
- In addition, the CoE and the chair professionals, as well as the host institutes would be linked through a knowledge management platform.

Focus on policy advocacy, capacity building and knowledge management

- The focus of the CoE and the network of chairs would in its initial years be on research, policy advocacy, knowledge management and capacity building strategies. Training activity would be focussed rather than large scale. The involvement in education would be more of guiding research / M.Phil / PhD students than conducting post graduate courses.

Clear Road Map for Chair Professionals

- It is envisaged that the MoU between the CoE and the host institution would lay down a clear roadmap to expand the activities of the chair into a Centre for *PR and local governance* in a pre-determined time frame.
- There is the issue of availability of experts/faculty/researchers/trainers in the area of Panchayati Raj and local governance in the country. Even existing institutions are facing problems of good human resources. Therefore, a model which lays out a roadmap for developing pools of experts is necessary.

Segregation of orientation of the CoE and the Chair Professionals

- Different skill sets are required for policy advocacy vis-à-vis research and capacity building. It is envisaged that the CoE would have a greater orientation towards policy advocacy and would develop its personnel policies and structure accordingly.
- The Chair professionals would have more of a training orientation. The CoE would have the flexibility to appoint personnel with an academic or advocacy orientation depending on the need.

5.2.3 Advantages of the proposed operating model

The advantages of the proposed operating model are the following:

- The CoE will have a significant location advantage of being close to the Central Government Ministries and institutes of international repute. At the same time, it will have formal linkages with institutions located in other parts of the country.
- This model provides for expanding the chairs to full fledged regional centres and in some cases to independent institutes over a period of time as a resource pool in the area of PR and local governance builds up.
- This model also provides flexibility for the CoE to select professionals of different skill sets/characteristics.

5.2.4 Selection of Institutions for Chair Professionals

The following paragraphs present the illustrative rationale for the selection of institutions for Chair Professionals:

Mix of public and private institutions: The institutions envisaged as partners for the CoE should be a mix of public and private institutions which will facilitate providing

- Geographical spread
- Diversity of domain/expertise
 - Management - e.g. IIMs
 - Technology - e.g. IITs
 - Rural development – e.g. IRMA, NIRD
 - Public finance - e.g. NIPFP
 - Development economics – e.g. DSE, IEG, NCAER
 - Administration/governance – e.g. LBSNAA, IIPA
 - Finance/ banking - e.g. BIRD, RBI training institution
 - Social science – e.g. TISS, Gandhigram University
- Selection criteria
 - Institute of international reputation
 - Relevance of domain
 - Experience in strengthening skills and capacities of practitioners, elected representatives and policy makers
 - Existing or planned linkages with other institutions in the region and beyond
 - Strong networks to exchange experiences and to share best practices
 - Have scientific excellence in technique (publication record, modern equipment, standards of measurements, etc);
 - Full time staff/ visiting staff credentials
 - Self sustenance
 - Demonstration of collaboration, output of collaboration, duration of collaboration
 - Research track record
 - Citations
 - Publications
 - Ranking

5.2.5 Specific roles and activities of the CoE and the Chair Professionals

The roles and activities proposed for the CoE and the Chair professionals are outlined below.

- Policy advice and guidance to the Ministry and state government departments
Policy advice to the Ministry/ state govt. departments on the following issues:
 - Strengthen PR system in the country
 - Suggestions on amendments in Acts, as relevant
 - Suggestions on operationalisation of ARC recommendations on amendments of Article 243 G
 - Suggestions on strengthening DPC and promoting integrated planning
 - Suggestions on accelerating and undertaking steps in implementing *Panchayati Raj* and local governance reforms
 - Reviewing and analysing policies/schemes of Ministries and providing recommendations as appropriate
 - Drawing policy lessons from States and provide suggestion to strengthen reform implementation and devolution of powers
 - Suggestions on implementation of PESA
 - Suggestions on decentralised governance in North-Eastern region

- Technical support to Ministries/State Government /State training institutions
 - Support for preparation of model laws and rules on PR system
 - Support for drafting policy documents/policy briefs to MoPR/MoRD and other ministries on matters related to PR
 - Review of the guidelines on various aspects of *Panchayati Raj* functions and provide recommendation as appropriate
 - Develop procedures on reforms implementation on PR in States
 - Develop guidelines and framework for evaluation of reform implementations
 - Develop guideline for benchmarking of service standards and operational efficiencies of PRIs
 - Develop guidelines and toolkits to prepare development plans at *Panchayat* level/block and district level

- Research and action research to support policy advice to Ministry/States
 - Establish collaborations with academic and research institutions
 - Formation of Researchers' Colloquium(ReCoup) to bring together research institutions and individual experts to undertake research activities
 - Support ReCoup to undertake research and action research on local governance, *Panchayati Raj*, rural development, urban development and rural/urban management
 - Draw lessons from research and action research studies and its wider dissemination across multiple stakeholders
 - Draw policy lessons from research findings and advice Ministry to make appropriate changes

- Capacity development
Training for human resource development
 - Review the NCBF and suggest modifications from time to time as appropriate

- Review curriculum and training materials of national and state level training institutions and suggests modifications as appropriate
- Assist development of curriculum and training materials by national /state level training institutions
- Develop monitoring & evaluation frameworks to assess the performance of training/resource institutions at national/state level
- Conduct performance evaluation studies of training/resource institutions at national/state level
- Prepare toolkits and manuals for training of PRIs as per the requirement and diversified characteristics of PRIs in each States
- Develop framework for training need assessment of PRIs

- Institutional capacity building
 - Under take institutional studies to review and assess the human/finance/infrastructure capacities of PRIs through ReCoup
 - Draw lessons from research studies and recommend institutions changes to be made at various levels of PR system
 - Help States to make changes in the institutional framework
 - Develop framework for MIS to track progress of implementation of PR, reforms and schemes
 - Establish web enabled MIS system and prepare user guidelines for States to implement the MIS

- Strengthen E- governance
 - Development of online MIS system for Performance Tracking of PRIs
 - E library: Development of e –library wherein the reports, documents and e books on PR will be made available to the stakeholders
 - E toolkits and manuals on capacity building: Support networking institutions to develop e toolkits and manuals on PR related issues

- Networking and advocacy
 - Establish a forum at national and international levels to share knowledge and experience on PR and local governance
 - Establish a Network of Resource Centres(NRCs) at national and state level comprising existing research/training/academic institutions & NGOs to extend technical/capacity building support to PRIs
 - Organise state/national/international seminars/workshops/trainings through NRCs

- Knowledge management
 - Develop knowledge bases through research and action research studies by ReCoup
 - Develop knowledge repository on best practices, status of PRIs, reform implications, capacity building measures, data bank on resource institutions/persons, poverty data, programmes/schemes etc. through network of institutions
 - Dissemination of knowledge and information at appropriate forums(national and international)
 - Study local governance system in other developing countries, draw lessons from the studies and incorporate it into the NCBF

- Knowledge Management (KM) Portal: Development of KM portal which will provide a single window for information on *Panchayati Raj* in India and across the world, best practices, and lessons learnt innovations on governance. The KM portal will have a network with its associates and partners
- Consultancy
 - Provide consultancy services to State/PRI institutions/universities/training institutions/multi-bilateral agencies on local governance, PR, rural development, poverty reduction, institutional development, capacity building, resource mobilisation, financial management etc.
 - Through international networks, undertake consultancy services from developing countries in Asian on local governance
- Learning and development
 - Develop curriculum and conduct certificate programmes on project management/institutional development for PRI functionaries
 - Develop curriculum and design diploma programmes on local governance for partner institutes

Though the above roles indicate a focus on *Panchayati Raj*, the CoE is envisaged to look at local governance from a holistic and integrated perspective.

5.2.6 Select research areas for the CoE

Some of the research areas/topics suggested by the advisory group , which could be undertaken by Coe and Chair Professionals are as provided below:

- Peoples' mobilization for their empowerment (both people and PRIs),
- System building with focus on laying of frameworks for the PRI CB&T, SFC, SEC, DPC,
- Convergence of development initiatives;
- Delivery of services in rural and social sector and local governance
- Multi sectoral approach to planning and budgeting
- Interstate variations in approach to local governance
- Study of successful and unsuccessful practices and cases on local governance in India and other countries. (Pakistan, Philippines)
- People mobilisation related aspects in local governance
- Decentralisation – reasons for success and failures
- Convergence of Natural resource management and livelihood in local governance
- Advocacy for local governance and , decentralisation in the political process
- State , district and village specific research issues
- Convergence with urban health and nutrition and other allied areas.
- Socio- political issues resulting in reluctance of states to decentralise/ devolve
- Second generation challenges face by PRIs in some states such as intern tier relationships
- Technical assistance for States including areas related with SFC
- Research on differential teaching methodologies/adult learning methodologies
- Rights based development (right to information, right to health, right to food, right to social security
- PRI and human resource development, PRI and gender, PRI and environment
- Integrated training research and action
- Fiscal policies related to decentralisation
- Behavioural and
- Extension services
- Framework for empowerment of people and Panchayath
- Rural – urban continuum and convergence
- Linkages of PRIs with other classes of political administrative machinery
- Social and behavioral aspects of elected representatives
- Linkages with community based organization and PRIs

Role differentiation- CoE and the Chair professionals

The following table presents the roles and services to be performed by the CoE and the Chair professionals

Exhibit 2: Role of CoE vis-à-vis Chair Professionals

Role/Service/Activity	CoE	Chair Professionals
Policy advocacy and research	The CoE could focus on national level aspects which cut through different states/region; however, adequate flexibility in selection of research subjects is envisaged. The nature of research would be in a form that meets the needs of busy bureaucrats, politicians and policy makers and the CoE would market its research effectively.	The Chair professionals could focus on theme based (e.g. public policy, research or issues specific to their state/region; however, adequate flexibility in selection of research subjects is envisaged
Information and Knowledge Management	The Information and Knowledge Management system would be housed in the CoE	The Chair professionals could perform specific roles such as knowledge managers, besides contributing to the body of knowledge
Capacity Building	The CoE may focus on developing frameworks, standards and guidelines	The Chair professionals may focus on customising frameworks, standards and guidelines to regional/state needs; Training the “Training Institutes” on best practices/strategies of communication; Impact Assessment and evaluation of various programmes etc
Consulting and advisory services	These services would draw upon the best and most appropriate resources from the CoE and Chair professionals	These services would draw upon the best and most appropriate resources from the CoE and Chair professionals

5.2.7 Target Clientele

The key target clientele of the activities of the proposed CoE include:

- Policy makers in the Centre and States- Ministers, Secretaries, Principal Secretaries - targeted policy advocacy; assistance in policy design
- State Election Commission, State Finance Commission
- DPC Chairpersons - vision for integrated district planning, convergence, focused PRI related appreciation programmes
- Zilla Parishad Chairpersons – vision for integrated district planning, convergence, focused PRI related appreciation programmes
- Leaders of federations of local governance – Constitutional rights, integrated planning, management

- Senior professionals from existing training and capacity building institutions-provision of resource personnel and training material
- Political class (MPs, MLAs)- general awareness, focused PRI related appreciation programmes
- NGO leaders- general awareness, focused PRI related appreciation programmes
- Leaders/senior professionals from Media- general awareness, focused PRI related appreciation programmes, targeted policy advocacy
- Senior professionals from Banks and Financial Institutions- general awareness, focused PRI related appreciation programmes
- Leader/ senior professionals from Private companies (FMCG and agro-processing companies etc)- general awareness, focused PRI related appreciation programmes
- Multilateral and Bilateral agencies involved in design and facilitation- general awareness, focused PRI related appreciation programmes, targeted policy advocacy
- Judiciary
- Leaders of PRIs

5.2.8 Physical Targets for the CoE

The Exhibit 2 below presents the suggested physical targets for the CoE and its network through Chair Professionals. The targets are in terms of numbers of seminars, round tables, training programmes, research, documentation of best practices, and consulting assignments undertaken by the CoE, the Chair professionals and other partner institutions. The Exhibit 2 also presents the indicative number of participants which may be targeted for seminars and training programmes.

Exhibit 3: Physical Targets

Activities organised by CoE	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total
Seminars, Round Tables, Focus Group Discussions	1	2	6	6	6	6	6	6	6	6	51
--Target no. of participants	50	100	300	300	300	300	300	300	300	300	2550
Seminars, Conferences (Partner Organisations)	5	10	15	20	25	25	25	25	25	25	200
--Target no. of participants	250	500	750	1000	1250	1250	1250	1250	1250	1250	10000
Training Programmes (Own)	0	0	2	5	5	5	5	5	5	5	37
--Target no. of participants	0	0	60	150	150	150	150	150	150	150	1110
Training Programmes (Partner organisations)	5	10	15	20	25	25	25	25	25	25	200
--Target no. of participants	250	500	750	1000	1250	1250	1250	1250	1250	1250	10000
Research (Individual)	2	5	10	10	10	12	12	15	15	15	106
Research (Institutions)	5	10	15	20	25	25	25	25	25	25	200
Documentation of Best Practices (studies)	3	5	10	10	10	10	10	10	10	10	88

Activities organised by CoE	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total
Consulting Assignments	2	5	6	6	6	6	6	6	6	6	55
SUMMARY											
Programmes	11	22	38	51	61	61	61	61	61	61	488
No. of participants	550	1100	1860	2450	2950	2950	2950	2950	2950	2950	23660
No. of Research Studies	7	15	25	30	35	37	37	40	40	40	306
Documentation of Best Practices (studies)	3	5	10	10	10	10	10	10	10	10	88
Consulting Assignments	2	5	6	6	6	6	6	6	6	6	55

5.3 Creating and sustaining excellence in CoE

As outlined in chapter 4, it is suggested that CoE should design and embed the following underlying institutional features for sustaining long term excellence:

- Autonomy- Financial and operational autonomy
- Focus on attracting and retaining experienced and competent professionals
- Strong leadership- Visionary Head and Diversified Board
- Collaboration and institutional linkages
- Focus on quality of output- peer reviews, dissemination of research results in recognised publications, benchmarking studies
- Strong communication strategy-emphasis on marketing of ideas, media management, targeted distribution
- Strong Information and Knowledge Management system
- Infrastructure and work ambience

The following paragraphs present select salient features for each of the above features.

- **Autonomy**
 - Financial autonomy: An endowment corpus fund is suggested for financial autonomy of the CoE. This is elaborated further in section 5.3.
 - Operation autonomy: Regarding operational autonomy, it is suggested that the CoE should have flexibility in internal working environment, ensure active involvement of professional staff in key decision making process related to major academic decisions and develop strong faculty governance system. Also it is suggested that the CoE should have a system wherein faculty members should be considered as “colleagues”. It is also suggested that all policies related to direct operations of the institute (i.e. academic policies and decisions) lie with the Governing Body and to that extent, there is flexibility in modifying the same in line with emerging stakeholder requirements and the control of norms and procedures related to academic activities, including aspects such as design of courses, teaching material to be used, method of instruction, evaluation, collaboration with other agencies, relevant research and consulting, and design and control of the admissions process should be with the Governing Body.

- **Focus on attracting and retaining talent**

In order to attract and retain talent, there are so many methods and ways. Some of the suggested methods are given below:

- Staff selection – independent selection mode, candidates to make presentations
- Staff assessment – self appraisal, objective and subjective guide for individual appraisal, committee for inter se' comparison, bell curve fitment, appeal process
- Reward – In- house research fellowships on competitive basis, participation in board meetings, presentation to the Board , best analyst award, retreats
- Training – TNA, Budgets with provision for a proportion of discretionary spending, in- house and external training programmes, feedback
- Promotion – merit based selection post

- **Focus on quality of output**

Managing quality comprises a wide variety of mechanisms and processes acting at various levels throughout the Centre's programs and across its organization. The effectiveness of this framework does not depend upon a single mechanism or process but on the collective effect of, and synergy between, many interdependent measures. These build on the professional interests and motivation of the staff. They reinforce each other as means to serve client needs. They emphasize the Agency's objective professionalism and concern for data quality. Some of the suggestions are given below:

- Peer review process – formal written policy
 - Range of subjects to review
 - Person responsible
 - Criteria for review
 - Format for comments
 - Process for resolving disputes
 - Extent of responsibility of review for problems arising later
 - In- house reviews and seminars
- Benchmarking studies
- Research results in recognised publications

- **Collaboration and Institutional Linkages**

The knowledge management system would help to build up a collective competence and organisational capabilities and would serve as a platform to facilitate knowledge sharing at national, local and international practices and experiences on local governance. It will also help to identify and absorb relevant tacit knowledge which is often embedded in firms and persons and cannot easily be transferred to others. Though Solution Exchange of UNDP addressing the issues of knowledge management on local governance to some extent, as suggested by the advisory group members, it is proposed to have a knowledge management system to promote tacit and practice oriented knowledge on PR and local with the following objectives:

- Act as a repository of relevant and consolidated information/ Statistical data on PRIs and PR activities, which is otherwise difficult to find in one place
 - e.g. consolidated and easily accessible information/ Statistical data on PR and where to access PR expertise is a concern
- Promote sharing and learning from existing best practices among PRIs

- e.g. stakeholders in the PR sector in India are not adequately linked and do not know what is being tested and developed by others.
 - available best practices are not adequately documented and not replicated
 - PRIs have to strengthen their capacities to implement local governance
- Influence and strengthen public policy dialogue on PR through advocacy activities
 - Enhance networking and collaboration with internal and external partners nationally and globally

Action plan

- Develop KM strategy and build on a framework for KM from the existing platform of solution exchange
- Develop a repository of knowledge and enhance its visibility through the development of web portal
- Develop a professional communications program about knowledge management.
- Develop knowledge services that will enable stakeholders clients to gain access to knowledge about knowledge as a economic factor of production, and to implement knowledge management for their own countries

An illustrative knowledge management system is given below:



5.3.1 Marketing

Marketing and public relations would form an important component of the CoE's overall strategy. Think tanks normally employ a wide range of methods to propagate their research and message to relevant policy makers. These include¹²:

- **Seminars, Conferences and Briefings:** Think Tanks make a conscious effort to reach their audience with a range of lectures, seminars, conferences, expert meetings, and individual or group briefings. For example, the Center for Strategic and International Studies (CSIS),US reports that it stages around 700 events every year
- **Publications:** Large Think Tanks also operate highly productive publishing houses, generating both traditional and, increasingly, multimedia publications. Journals of Think Tanks often reflect the "thought leadership" of the organisation in their respective domains.
- **Web site:** A website is an essential marketing tool for Think Tanks. Most Think Tank websites also carry speeches, commentaries by the fellows, conference reports and programmes,

¹² (adapted from)Think Tanks and Policy Advice in the US, James G McGann, Foreign Policy Research Institute, August,2005

analyses, book abstracts, biographies of their experts, information on events and, increasingly, video and audio clips, all of which can be downloaded free of charge. Other measures of publicity and brand awareness, such as search engine optimisation, involve identification of influential online targets and securing coverage across high traffic targets. Also a user feedback module is created, which engages the users interactively.

- **Media:** Think Tanks regularly publish their work in newspapers. Often experts have their own columns in various newspapers and magazines. Think Tank analysts are quoted as experts in the print media and appear on television and radio news programmes as well as talk shows. Some think tanks in the United States, such as Hoover Institution's public affairs office, are understood to have links with 900 media centres across the US and 450 centres outside. The Manhattan Institute in the US has held more than 600 forums or briefings for journalists and policy makers on public policy issues. Similarly the National Center for Policy Analysis in the US has reported that its "ideas" have been discussed in 573 nationally syndicated columns and 184 wire stories carried over the 12 years of its existence. The Brookings Institution and the Heritage Foundation of the US both have their own TV studios. Two Think Tank experts from the AEI have their own weekly shows broadcast by the US public television station PBS.
- **Strategic Partnerships with other Think Tanks-** Various collaborative exercises are initiated and sustained as partnerships in conceptualising, funding and management. This allows the institution to generate real time quality analysis on a diverse range of public policy issues.

As a part of its marketing strategy, the CoE is envisaged to leverage extensively all the above tools (i.e. seminars, publications, website, media, partnerships) to achieve its objectives. However, ultimately the true worth of the CoE would be determined by its outputs in terms of policy briefs and analysis, as well as research, capacity building and knowledge management activities.

5.4 Going forward

The proposed CoE is envisaged to have a very important role in developing the institutional support framework for *PRIs* and local self government bodies in general, in the country. The CoE would need to develop its own unique blend of policy advocacy and research modes, which in itself is a challenge. The following chapter presents the institutional structure and the organisational structure of the proposed CoE. It also discusses the critical issue of "housing the CoE" and the pros and cons of various options.

6 Institutional Setup and Organisation Structure

This chapter presents the institutional setup and organisational structure for the proposed CoE. The Institutional setup section examines the options of the legal structure for the proposed CoE. It also examines the institutional linkages the CoE would have with the MoPR, other Ministries, States, NGOs, and other institutions. The organisational structure section presents the governance and organisational structures proposed for the CoE.

6.1 Legal Structure of the proposed CoE

It is envisaged that the CoE would be set up as an autonomous organisation and would be a separate legal entity. The options for a separate legal entity could be a Society (under The Societies Registration Act, 1860), Trust (under The Registration Act, 1908 or The Indian Trust Act 1882) or a Company (under the Companies Act, 1956).

The key considerations and parameters for selection include aspects such as ease of formation, desired governance structure, types of activities allowed, recurring expenditure, area of operation (flexibility to open offices in different parts of the country), labour and relevant laws, and eligibility of foreigners as members/trustees. Annexure G presents a comparison of the three options.

The following paragraph brings out some of the salient aspects/differences of registering the Centre of excellence as a Section 25 company vs. Registered Society vs. a Trust.

- *Paperwork and compliances:* Registration as a company is a more organised way of working and therefore has the most paper work and compliances. Registration as a Trust is the simplest way with minimal paper work and procedural issues. A Registered Society is in between and the most popular form of registration, especially as far as the national institutes established by the Government of India goes.
- *Control perspective:* In the case of a society, a minimum of seven members are required to register and there is a two-tier structure of the general body and the governing body. All members have equal voting rights. A Company can be formed with just two persons and the voting rights are based on the number of shares held. The Company form of registration can leverage the rule of unequal voting powers for planning the control of the entity. A Trust can be formed with a minimum of two persons, but it is a relatively closed structure. In a company or society, the general members have the powers to remove the director or a board member, but in the case of a Trust, it is not so.
- The societies are regulated by the State Government. Therefore, the fee structure and regulations vary from State to State. In some states, the State Government collects a small portion of the total revenue generated by the Societies annually. The geographical location and the State laws can influence the mode of registration.

Some institutes in the recent past such as the National Institute of Smart Governance, Hyderabad and ICICI Knowledge Park have been set up as Section 25 companies. However most educational/research oriented institutes established by the Government of India have been established as a Registered Society.

Institutes such as the National Institute of Health and Family Welfare, National Institute of Urban Affairs, IIMs, National Institute of Public Finance and Policy, and Institute of Economic Growth have all been established as Registered Societies. Even the recent Centre of Excellence for Natural

Resource Management established by NABARD is a Registered Society. The Registered Society is considered to provide adequate flexibility for operations as envisaged for the CoE and is, therefore, the suggested option.

6.2 Housing options

The following paragraphs discuss the housing options for the proposed CoE. While there is considerable consensus on the need for a national centre for *PR* and local governance, different options have emerged regarding the housing of the CoE. These include the following:

- (i) Housing the CoE in an existing national level institution/university
- (ii) Separate premises

In the Option (1) the more important linked issue is regarding administrative control of the CoE. In this context, there are the following options

- (i) CoE -under the administrative control of the existing institution or university where it is housed
- (ii) CoE - an independent and autonomous institution

The following paragraphs discuss the issues involved in establishing the proposed CoE under the administrative control of an existing institution.

Character of the Institution: The character of the proposed CoE is envisaged to be very different from any existing institution supporting *PR* today. The proposed CoE is envisaged to have a strong policy advocacy and research focus, which requires personnel of different skill sets than those required for “training”. The key question is “would administrative control of any of the existing institutions, under its existing regulations, be in a position to facilitate the flexibility and the autonomy that the CoE requires to succeed?”

Focus on *Panchayati Raj* and local governance: The area of *PR* and local governance in the Indian context requires significant and dedicated focus. The proposed CoE is envisaged to be a symbol of the importance that the country lays on local governance and *Panchayati Raj*. Would the existing structures of the existing institutions allow adequate focus on *Panchayati Raj* issues considering their overall mandate and other areas of operations? The *Panchayati Raj* institutions are struggling for recognition of its unique identity, focus and role. Would the housing of the CoE in an existing institution facilitate this recognition or it would continue to be a case of “one amongst many” as before? *Panchayati Raj* activists appear to be of the view that the option of putting the CoE under the administrative control of an existing institute will only result in neglect of *PR* and local governance.

Synergies with existing institutions: The counter view is that the only change required is to ensure synergies of the proposed CoE with existing institutions. Some stakeholders argue that institutions such as NIRD and IIPA have been involved in *Panchayati Raj* and local governance issues for several decades and are well aware of the challenges faced. These institutions have contributed to various policy documents. In addition, these institutions have basic infrastructure - both human and physical - which could provide initial advantage in terms of cost of investment. Also existing institutions such as NIRD has initiated the process of restructuring themselves to meet specific emerging needs of different stakeholders including *PRIs*. A separate entity would result in unnecessary duplication with activities of existing institutions.

Recommendation for the CoE

There are several advantages of housing the proposed CoE under the administrative control of existing institutions especially in terms of synergies and cost of operations.

However in the context of the proposed CoE, it is suggested that it be established as an independent entity (not under the administrative control of another institute). The rationale for the same is presented below:

- **Autonomy:** Institutions such as the Indian Institute of Management were set up outside the University system because the founding fathers of these institutions wished to provide a unique operation model involving institutional, financial, academic and administrative autonomy. We believe that this argument also holds true for the proposed Centre of Excellence. Considering the primacy intended by the Constitution for PRIs, and the disappointment expressed by many PR activists at the absence of apex level hand holding for them, a different model needs to be evolved by combining the advantages of an autonomous organisation, yet leveraging the strengths of existing organisations. The proposed CoE needs to develop its own unique culture free from any specific legacy of an existing institution.
- **Character/role of the organisation:** The role of the proposed CoE is envisaged to be different from any existing institution in terms of orientation towards policy advocacy. This therefore requires personnel with different skills. Existing organisations may find it difficult to source such personnel within their existing regulations.
- **Identity and pre-eminence:** Establishment of a separate institution would provide an **identity as well as pre-eminence** to Panchayati Raj as envisaged in the constitution. An independent national centre would bring the required primacy to PR and local governance issues, and will also serve as a strong symbolic message in this regard.

There is an option of housing the CoE in an existing institution/university as an independent entity. There are advantages in this option on account of easy access to libraries, research facilities, experts, research students etc. This may be considered for the CoE in the initial two-three year period. However subsequently, the CoE has a better opportunity to develop its unique culture in independent premises and therefore is considered the preferable option. The CoE may be based at preferable housed at NCR considering its proximity to Central government ministries, planning commission, other academic think tanks, national level institutions etc.¹³

It is however extremely essential for the CoE to have institutional linkages with a University in order to provide an opportunity to its staff to act as “co-guides” to research (M Phil and PhD candidates).

¹³ Alternative locations suggested by advisory group members and stake holders include Mussoorie and Jaipur

6.3 Organisation Structure and Staffing

6.3.1 Governance Structure

6.3.1.1 Governing Board

The Governing Council/Body/Board of most of the Indian National Institutes is represented by a wide range of stakeholders. However the character of the body differs from institute to institute. For example

- NIPFP is chaired by an eminent professional in the area of public finance. The board consists, besides the Director of the Institute, 2 nominees from the Ministry of Finance, 1 nominee of the RBI, 1 nominee of the Planning Commission, 3 nominees from sponsoring State Governments, 2 nominees of Industry institutions, 3 nominees from collaborative institutions, 3 eminent economists, 1 member to be co-opted by the Governing Body and 1 Senior Fellow from the Institute.
- The Governing Body of NIHFV comprises the Union Minister of Health and Family Welfare (Chairman), Union Secretary of Family Welfare (Vice-Chairman), Additional Secretary of Health (Member); Director General of Health Services (Member), Additional Secretary dealing with NIHFV (Member), Financial Advisor of the Ministry of Health and Family Welfare (Member), Director General of the Indian Council of Medical Research (Member), Director of the All India Institute of Medical Sciences (Member), Director, International Institute for Population Sciences, Mumbai (Member), and seven members nominated by the Chairman. Director, National Institute of Health and Family Welfare, acts as member-Secretary
- The National Institute of Urban Affairs (NIUA) is managed by a Governing Council that is represented by senior officials from the Government of India, eminent urban leaders, experts and corporate heads. These include eminent academicians/researchers as President, Vice President, a distinguished academician, the Director of the Institute, one nominee representing Ministry of Finance, two ex-officio members (representing Ministry of Urban Development and Planning Commission), two members representing state governments, four corporate members (mainly PSUs), one founder member (individual), and five members co-opted by the Governing Council representing different disciplines. The Governing council looks at the general superintendence, direction and control of affairs, funds, assets and properties of the Institute.
- The Kerala Institute of Local Administration (KILA) has the following Board members. Principal Secretary, Local Self Government Department, Secretary, Local Self Government Department, Secretary, Finance Department, Secretary, Planning and Economic Affairs Department, Director of *Panchayats*, Director of Urban Affairs, Joint Secretary (Training), Department of Rural Development, Govt. of India, Director, Centre for *Panchayati Raj*, NIRD, Hyderabad, General Secretary, All India *Panchayat* Parishad, Delhi, Chairman, Chamber of Municipal Chairmen, President, Kerala Grama *Panchayat* Association, President, Block *Panchayat* Association, Member of Parliament, Member of Legislative Assembly, and Director, KILA. The Governing Council deals with policy matters concerning the organisation.
- The Australian Centre of Excellence for Local Government (ACELG) has a 8 member Board for the year 2010; a former Minister of Local Government, representatives from University of Technology, Sydney, University of Canberra, Australia and New Zealand School of Government,

Local Government Managers Australia, Institute of Public Works Engineering Australia, Department of Infrastructure, Transport, Regional Development and Local Government, and Australian Local Government Association.

- The Institute of Public Policy Research (IPPR), UK has an 11 member Board of Trustees. IPPR Trustees have the ultimate responsibility for directing the affairs of IPPR, ensuring that it is solvent, well-run, and delivering charitable outcomes for the benefit of the public for which it has been established.

6.3.1.2 Executive Council

In many organisations such as KILA and NIRD, there is an Executive Council under the Governing Board (which oversees policy matters) to look into management and administration matters of the institute. The number of members in the Executive Council is smaller and ranges between 5 and 11.

- The KILA: The management and administration of KILA vests with the Executive Council. The Principal Secretary, Local Self Government Department is the Chairman of the Executive Council. The other members of the Executive Council are: Secretary, Local Self Government Department, Secretary, Finance (Expenditure) Department, Director of *Panchayats*, Director of Urban Affairs, and Director, KILA.
- NIRD: An 11-member Executive Council oversees the implementation of policies.
- IPPR's Policy Advisory Council has been established to draw on a wide pool of highly talented individuals (34 persons) to provide intellectual vitality and advice to the organisation.

6.3.1.3 Recommendation for the CoE- Board

In the CoE context, a two layered structure of a Governing Board and an Executive Council is not required and the recommendation for CoE is a Governing Board comprising of 15 members.

Suggested Composition

The governance structure of the CoE is envisaged to comprise of a Governing Board.

The Governing Board is envisaged to comprise of 15 members. This would include a Chairperson (eminent expert on *Panchayati Raj* Issues or management expert), representative of Ministry of *Panchayati Raj*(1), Ministry of Rural Development (1), Planning Commission (1), Management Expert- (1), representative from Industry- (1), Technology Expert(1) Representatives from Collaborator Institutes- 2 (by rotation), Representatives from eminent agencies in the area of *Panchayati Raj* and local governance such as NGOs or individual experts- 3 (by rotation), Elected Representatives from *Panchayati Raj* Institutions- 2 (by rotation), and Head of the CoE.

The tenure of the members of the governing is suggested to be two years. However, they shall be eligible for one more term subjected to the condition that no member can continue for more than two terms.

Role of the Governing Board

- The Governing Board would be responsible for formulating policy and guidelines for effective functioning of the CoE
- The Board would make decisions pertaining to effective utilization of funds and assets of the CoE
- The Governing Board would approve the business plan for the CoE and its revision from time to time, say every 2-3 years; suggest options for funding and financial sustainability
- The Board would monitor the activities of the CoE and would establish committees from time to time as may be required
- The Board would be able to delegate its power to Head of the CoE or a Director or any officer or committee for conduct of business
- The Board would deliberate and act upon the recommendations of committees and approve various action plans developed by the committees mainly from an administrative and budget perspective while maintaining the autonomy and flexibility to the committees
- Based on the recommendations of various committees, the Governing Board would also recommend the focus areas for research, training and consulting
- The Governing Board would review from time to time the positioning, governance and institutional structure, human resources and support systems

6.3.1.4 Other Committees and their role

The other committees established by various National institutes include:

- NIHFV: The institute has a Standing Finance Committee (SFC) and a Program Advisory Committee (PAC). SFC reviews and approves finances for NIHFV. It consists of Secretary (Family Welfare), Director General of Health Services, Financial Advisor of the Ministry, and Director, NIHFV as Member-Secretary. The objective of the PAC is to formulate broad guidelines for the ongoing and proposed research and training activities of the Institute and to provide suitable advice and guidance for the improvement of the programmes of the institute. It comprises representatives from the Ministry, DGHS, ICMR, ICSSR, Institute of Mass Communication, IIPS. One Secretary Health and two Directors of Health Services of States are nominated by Chairman of Governing Body of the Institute. Besides two members of the Governing Body are also nominated. Two members of faculty are nominated directly by Director, NIHFV. Director, NIHFV serves as Member Secretary of the PAC. The tenure of the Chairman and the nominated members is of three years.
- NIUA: The terms and conditions applicable and the manner of receiving applications for admission of different categories of members is determined by a committee consisting of the President the two Vice Presidents and two or three founding members. Time to time they form committees e.g. performance review of NIUA or Corpus fund committee to evaluate the financial performance. After the activity is over, the committee is dissolved.
- NIRD: Academic Committee helps in planning the training and research programmes;
- The ACELG: has a Programmes Committee which plans, monitors and evaluates activities in each of the six programme areas, and reports to the Board at least every six months on

progress and any issues or concerns arising. The Programmes Committee is chaired by a Board member and comprises relevant officers of each of the consortium and programme partners. A Research Advisory Committee and Technical Committees and panels are also envisaged.

- KILA: There are different committees constituted for research, training, and information service.

6.3.1.5 Recommendation for the CoE- Committees

The governing body may constitute committees for specific purposes on a need basis. Indicatively there may be committees on Policy and Research, Knowledge Management and Capacity Building. These are envisaged to be empowered committee which may be provided with complete authority to deal matters in respective of their domain.

The indicative composition of the committees is as follows:

- Combined Policy, Research and Knowledge Management Committee: Representatives from PRIs, MoPR, PRI Experts, External Aid Agencies, Media/Public relations experts (Number : 5-7)
- Capacity Building: Communications experts, Technology/IT experts, Representatives from Training institutes, Representatives from PRIs (Number:5-7)

Indicative role of the Committees

- Policy and Research committee
 - Identify priority areas of research in the area of local governance based on review of national and cross-country experiences and interactions with eminent public and private institutions and agencies operating in the areas of PRIs / local governance
 - Formulate broad guidelines for ongoing and proposed research activities of the CoE and to provide suitable advice and guidance for the improvement of the programmes of the CoE
 - Develop Terms of Reference for various endowed Chairs in discussion with the sponsoring agency and the host institution as the case may be.
 - Suggest induction of members in the committee, as may be required for effective functioning of the committee
- Knowledge Management committee (initially to be combined with the policy committee)
 - Facilitate development of Knowledge Management (KM) frameworks and take decisions on KM aspects
 - Develop a Knowledge Management Strategy for the CoE; identify tools (including IT tools) and develop an action plan with resource allocation and budget estimates; provide annual budget estimates to the Board
 - Oversee implementation of the Information & KM strategy
 - Explore partnerships- study arrangements and networking with institutions in India and abroad and work out terms of partnering with such institutions and centres identified

- Identify various agencies from time to time to carry out and support the KM functions
- Develop monitoring and performance evaluation parameters on all KM aspects
- Capacity Building committee:
 - Formulate broad guidelines for the ongoing and proposed training and capacity building activities of the CoE and to provide suitable advice and guidance for the improvement of the programmes of the CoE
 - Develop capacity building action plan for the CoE (internal) with budgets
 - Develop action plan for the capacity building function of the CoE (for external stakeholders) including identification of partnering agencies/ institutions in the area of training and capacity building
 - Take decisions on capacity building aspects and projects to be undertaken (for both internal and external programmes)
 - Coordinate with various public and private sector agencies/ institutions in the area of capacity building of local governance institutions and PRIs to formulate plans and to forge institutional linkages; facilitate such institutional linkages

The committees would be required to interact amongst themselves for effective coordination and to jointly discuss programmes and external institutions linkage strategy in order to avoid overlap of activities and to effectively tap external linkages for all functions of the CoE. For this purpose, one or two coordinators may be identified who would convene joint meetings of committees at frequent intervals, say once every quarter.

6.3.2 Involving state governments and private sector in PR

Organisations like NCAER and NIPFP had attempted to involve the state governments , private sector players, industry associations and eminent professionals in their governance structure through the concept of 'members'. NCAER has a concept of corporate, patron and ordinary members. NIPFP has sponsoring members (states and industry associations), permanent members (states) and ordinary members. Membership is obtained through contributions from which varies from nominal amount to larger ones.

Recommendation for CoE

It is recommended that the CoE invite memberships from different state government departments, select industry associations, corporates, etc. This would facilitate the CoE to have acceptance amongst a wider range of stakeholders. Involving the private sectors as members in Governing Board and committees would facilitate a unique opportunity for public- private partnership.

6.3.3 International networks/collaborations:

The CoE should make good use wide range of national and international networks across sectors so as to ensure efficiency in CoE's activities and operations and avoid duplications in activity. Local government organisations, government agencies, academic/research institutions, management institutions training bodies etc are some of the institutions that the CoE could networked with. An illustrative list of national and international agencies to be networked is give in annexure III .

6.3.4 Organisational Design

6.3.4.1 Head of the organisation

In the Indian context, there are normally two models followed for the Head of a National Institute

- Headed by an IAS officer; as in the case of NIRD or IIPA, or
- Headed by an eminent domain expert, as in the case of Institute of Economic Growth (IEG), NIPFP, IRMA

Recommendation for the CoE

As outlined in earlier chapters, many Centres of Excellence have had visionary leaders who were widely recognized by peers and who possessed excellent management skills to guide and lay down the values that drive the organisation. Therefore the selection of the leadership often defines the journey that the organisation takes. A respected professional from the domain often acts as a catalyst to attract the best talent required to make it a Centre of Excellence.

In the context of the proposed CoE, the quality of people that the organisation is able to attract would determine its future and in that context, a domain/management expert would have an advantage as the Head of the organisation. This is, therefore, the suggested option for the proposed CoE.

6.3.4.2 Horizontal grouping

Option 1

The most common model of a horizontal structure in the organisation design in a Think Tank or National Institute is to structure professionals in terms of themes and programmes. For example:

- Centre for Good Governance, Hyderabad has the following groups: Governance Resource Group (GRG), Human Development Resource Group (HDRG), Financial Management Resource Group (FMRG), Rural Management Resource Group (RMRG), Urban Management Resource Group (UMRG), Change Management Resource Group and Management Development Resource Group (CMRG & MDRG) and e-Governance Resource Group (e-GRG).
- Australian Centre of Excellence for Local Governance has the following groups: Research and Policy Foresight, Innovation and Best Practice, Governance and Strategic Leadership, Organisation Capacity Building, Rural-Remote and Indigenous Local Government, Workforce Development.
- NIRD is structured around Centres for various specialities including agrarian studies and disaster management, human resources, gender studies etc.

Some organisations like NIPFP considering their relatively smaller size are structured around individual Professors.

Option 2

An alternate model of a horizontal structure in the organisational design is to structure professionals along the key roles of the organisation; i.e. Capacity building, Policy advocacy, Information and Knowledge Management, etc.

In both the above options, the support administration and finance functions continue to be separate from the main line functions.

Recommendation for the CoE

For the proposed CoE, it is suggested that the professionals and experts be grouped around the programmes and themes identified by the institute. Some of the suggested themes may include:

- Local Governance
- Panchayat Finance
- Constitutional, Legal and Regulatory
- Capacity Building
- Knowledge Management and Networking
- Public Private Partnership

Exhibit 4: Organisation Structure

At the same time, there could be cells created where professionals from different programme groups could participate.

6.3.4.3 Vertical structure

The common vertical structure under the Director typically comprises the following levels

- NIPFP: Professor, Associate Professor, Assistant Professor, Economist, Junior Economist, Research Associate
- NIRD: Professor, Associate Professor, Assistant Professor, Senior Fellow, Junior Fellow

Recommendation for the CoE

Six levels are envisaged below the Chief Executive Officer for the core professionals, namely:

- Director: Head of a programme or theme

- Senior Fellow
- Fellow
- Senior Research Associate
- Research Associate
- Research Assistant

6.3.5 Staffing requirement

An indicative manpower plan is presented in Exhibits 3 and 4 below. The phasing of staff requirement is in line with the envisaged level of activities for the CoE.

It is recommended that the CoE have the flexibility and focus on sourcing professionals from the market on contractual or even part time basis. Preferably the professional staff should be on contractual basis or tenurial basis in order to sustain the quality of staff. The support staff should be on contract or outsourced.

A **search committee should be set up** which would be entrusted with the task of carefully handpicking eligible candidates for the faculty and directorial functions. The committee should also given the responsibilities to find excellent persons from the market on their domain.

Exhibit 3: Staff Requirement for Core team

CORE	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Group A										
CEO	1	1	1	1	1	1	1	1	1	1
Programme Head	3	5	7	10	10	10	10	10	10	10
Senior Fellow	3	5	7	10	10	10	10	10	10	10
Fellow	3	5	7	10	10	10	10	10	10	10
Group B										
Senior Research Associate	2	2	2	5	5	5	5	5	5	5
Research Associate	1	3	3	3	3	3	3	3	3	3
Research Assistant	1	3	3	3	3	3	3	3	3	3

In addition, it is envisaged that 6 Chair Professionals would be established in the first year, and by the 5th year of operations, 25 Chair Professionals would have been established at various national and regional institutes.

Exhibit 5: Staff Requirement for Administrative team

ADMINISTRATION	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Group A										
Registrar/Director	1	1	1	1	1	1	1	1	1	1
Academic Programme Officer	1	1	1	1	1	1	1	1	1	1

Group B

Administration Officer	1	1	1	1	1	1	1	1	1	1
Finance /Accounts Officer	1	1	1	1	1	1	1	1	1	1
	1	1	1	1	1	1	1	1	1	1
Librarian	1	1	1	1	1	1	1	1	1	1
Support Staff*										
PS/PA, IT/Finance/ Admin Staff etc)	12	14	16	22	22	22	22	22	22	22

*On contract or outsourced

7 Infrastructure

The proposed infrastructure at the proposed CoE has been developed based on the recommended norms published by the All India Council of Technical Education (AICTE) and the experience of the study team in providing professional advice on similar projects.

It is proposed that the CoE be built on a land of around 5 acres¹⁴. This has been calculated based on the AICTE norms and the ongoing building bye laws of Delhi.

The proposed infrastructure within the plot comprises the following areas:

- Instructional Area- where training/seminars/workshops/focused group discussions will be conducted.
- Administrative Area – Offices for professional staff and administrative rooms
- Area for Amenities – Utilities area, pantry, toilets, parking, etc
- Hostel and Accommodation – Residential area of staff, guest houses and visiting students

The above four areas will be located in the following blocks

- Administrative Building
- Utilities Block
- Hostel
- Staff Accommodation
- Guest House
- Open Areas

Administrative Block – It is proposed that this block will consist of conference rooms and board rooms for training, seminars, workshops, focused group discussions etc. Apart from this it will house office and desk space of all management, professional staff, administrative and support staff, library and amenities. In order to provide sufficient open veranda space for movement the carpet area has been increased by a factor of 40% (in line with norms of AICTE).

The infrastructure requirement for the administrative block with the detailed costs is presented in Annexure I. A snapshot of the area statement is given in Exhibit 5 below:

¹⁴ It has been suggested by some stakeholders that the land of 25 acres may be considered keeping in view prospects of future expansion of CoE.

Exhibit 5: Area Statement- Administrative Building

Description	Unit	Carpet Area / Unit (in sq ft)	Total Carpet Area (in sq ft)
Office of CEO, Programme Head, Senior Fellow, Fellow	33	160	5280
Research Associates, Admin Officers	15	100	1500
Support Staff	20	40	ry0
Conference room (Capacity 100)	1	5000	5000
Board Room (Capacity 15)	1	1000	1000
Syndicate Rooms	4	220	880
Library	1	1000	1000
Data centre /server room	1	800	800
Pantry Area	1	800	800
Store Room/file storage	1	550	550
Toilets	2	200	400
Reception Area	1	200	200

Utilities Block – The utilities block comprises of areas that will the house main electrical meter, VCBs, HT panel, distribution panel and power back up DG plant. The utilities block will also house water pumps, sewage pumps, Sewerage treatment plant and their associated panels. The open areas around the building will also have some utilities provision such as rain water harvesting pits and panels for the operation of external lighting.

Hostels and Staff Accommodation – The hostels block will comprise of accommodation for visiting students. The areas have been specified in line with the norms of AICTE. 20 rooms of single occupancy in the hostel have been assumed.

Guest Houses – The guest house has been proposed to have 8 rooms of capable for having double occupancy. The size of each room is estimated with an attached toilet. The guest house will also have a common TV / entertainment room and dining area.

A snapshot of the area statement for hostels and guest houses is presented below, and detailed out in Annexure I.

Exhibit 6: Area Statement- Other Facilities

Description	Unit	Carpet Area / Unit (in sq ft)	Total Carpet Area (in sq ft)
Hostel facility	20	400	8000
Guest house	8	200	1600

Open Areas – The open areas comprise of drive way, parking area, rain water harvesting pit and landscaped areas. The size of the open area will depend on the design strategy adopted by the architect.

IT Infrastructure

The IT infrastructure at the CoE would comprise of the latest hardware for personal computing and network infrastructure. Besides, to offer support services to the researchers, the Centre would also have advanced software packages for statistical analysis as well as provide access to various online databases as relevant. It is envisaged that a vendor would be appointed to manage IT services of the CoE and maintain its server network. The IT unit would support all departments at the Centre, including core, accounts, administration, library, etc

Exhibit 7: IT Requirement at CoE

Description	Requirement
Number of Desktops/Laptop	Available to Group A, B, and C employees, as and when they are appointed
Server	1 server
IT Services and other hardware	Outsourced
Other systems, software	Knowledge Management system, software packages for statistical analysis
IKM System management	Outsourced to IT Vendor specializing in KM systems

(Refer Annexure I for details)

Library

It is important for a research institution to have a well-stocked library with a large collection of books, periodicals, journals, CDs/DVDs etc. These need to be properly catalogued which could be computerised to help in timely retrieval. The library would facilitate both research and training, have all necessary subscriptions to newsletters and bulletins, and may also offer reprographic services. Besides the staff members at the Centre, the facilities could also be extended to outside researchers and visiting students.

- Capacity Building committee:
 - Formulate broad guidelines for the ongoing and proposed training and capacity building activities of the CoE and to provide suitable advice and guidance for the improvement of the programmes of the CoE
 - Develop capacity building action plan for the CoE (internal) with budgets
 - Develop action plan for the capacity building function of the CoE (for external stakeholders) including identification of partnering agencies/ institutions in the area of training and capacity building
 - Take decisions on capacity building aspects and projects to be undertaken (for both internal and external programmes)

Coordinate with various public and private sector agencies/ institutions in the area of capacity building of local governance institutions and PRIs to formulate.

This chapter presents a financial plan for the proposed CoE. The plan is based on various assumptions elaborated in Annexure I for estimating the capital (non-recurring) and Operations and Management (recurring) expenditure as well as revenues. The assumptions are based on industry norms for institutions and review of similar institutes like NIPFP, NIUA, KILA, ACELG

7.1 Capital (Non-recurring) expenditure¹⁵

The non-recurring expenditure consists of one-time expenditure incurred towards establishment of the CoE including civil costs towards construction of buildings, IT infrastructure including procurement of hardware and software including computers and procurement / development of software packages for Knowledge Management functions of the CoE.

The construction has been phased over a two year period and would commence once the land acquisition is complete (which is assumed to take around a year). For this purpose, a temporary arrangement in the interim period by way of operating from rented premises has been provided.

Apart from administrative building of the institute (with Built Up Area of approx 30,427 sq.ft) for accommodating around 70 staff members (peak strength), library, conference room with a capacity of 100 pax, a Guest House of 8 rooms for accommodating visiting faculty and participants in training programmes, Hostel facilities of 20 rooms and accommodation of 50% of the staff (25% for support staff) is considered besides various service areas (reception, pantry, toilets, etc.). Annexure I provide further details on the area break-up and housing typology of these components.

A one-time cost has also been considered for creating a corpus for establishing Chairs at various peer/network institutes at a cost of Rs. 200 Lakh per chair. It is envisaged that 6 chairs would be established in the first year, and by the 5th year of operations, 25 chairs would have been established at various national and regional institutes.

The total land area for establishing the CoE is estimated at around 100,272 square feet (approximately 5 acre)¹⁶. The detailed assumptions for arriving at this figure are provided in Annexure I. Broadly, the sum of plinth area for all blocks has been multiplied by two, in line with AICTE norms. The construction period for the CoE is considered to be two years.

Exhibit 8: Non-recurring expenditure for CoE

All figures are in Rs. Lakh						
Non-recurring expenditure	Y1	Y2	Y3	Y4	Y5	Total
Administrative Building	0	284	447	0	0	731
Guest House	0	31	49	0	0	81
Hostel Facility	0	103	162	0	0	265
Project Management Consultancy	21	0	0	0	0	21
Office Rental (interim period)	76	79	83	0	0	238
IT Hardware and software (inc IKM)	19	5	24	8	0	56
Chair Professional Corpus	1212	808	1010	1414	606	5050
Total Non Recurring Cost	1328	1311	1776	1422	606	

¹⁵ It has been assumed that land would be acquired and provided as a grant by the Government for establishment of CoE. However, if CoE has to bear the land cost, the same is estimated to be approx. Rs 193 crore (@ Rs 80,000 per sq yard) for land areas of 5 acres, but may vary depending upon the location

¹⁶ For purposes of financial planning, provision of housing for CoE staff has not been considered. Without this requirement, the total land area works to around 93,737 sq ft (around 2.2 acre)

7.2 Recurring Expenditure

It is envisaged that during the operations phase, expenditure would be incurred on various components as shown in the following Exhibit 8. As per estimates, remuneration and salaries is a major expenditure head accounting for almost 39% of the recurring expenditure in the first year and stabilizing to around 21% in subsequent years.

The other major budget heads for recurring expenditure are academic activities of the CoE (which includes training programmes and conferences conducted through self or network institutions, documentation and publication costs), travel cost and annual maintenance. Since the core work of the CoE makes it imperative to have state-of-the-art IT infrastructure and Knowledge Management system, year-on-year expenditure on procuring, modifying and upgrading these systems have also been considered. Other costs include insurance costs for the CoE assets, stationary, consumables, etc.

Exhibit 9: Recurring expenditure for CoE

All figures are in Rs. Lakh											
Recurring expenditure	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total
Remuneration and salaries	221	327	425	608	639	671	704	739	776	815	5925
Travel cost	48	63	129	141	148	155	163	171	180	188	1385
Staff training	30	32	33	35	37	39	41	43	45	47	381
Facility management	8	8	8	72	75	79	83	87	91	96	607
IT services	20	21	22	23	25	26	27	28	30	31	254
IKM system management	0	0	20	21	22	23	25	26	27	28	193
Public Relations Agency	0	50	53	55	58	61	64	67	70	74	551
Insurance cost	0	0	5	11	12	12	12	12	12	12	86
Annual maintenance	2	2	23	57	58	58	58	58	58	58	431
Academic activities	225	472	935	1485	1811	1909	2005	2118	2224	2335	15518
Other costs	14	15	15	16	17	18	19	20	21	22	175
Total Recurring Cost	568	990	1669	2525	2900	3049	3198	3368	3533	3706	

The expenditure statement showing total non- recurring and recurring expenditure over a period of 10 years is presented in the following table. A 5% increase in cost per annum has been factored in to adjust inflation.

Exhibit 10: Expenditure Statement

All figures are in Rs. Lakh											
Description	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total
Establishment expenses	337	830	1191	617	639	671	704	739	776	815	7318
Expenditure on Academic Activities	1437	1280	1945	2899	2417	1909	2005	2118	2224	2335	20568
Other administrative expenses	123	192	309	433	451	470	490	511	533	557	4069
TOTAL	1897	2301	3445	3948	3507	3050	3199	3368	3533	3707	31956

7.3 Revenues/ Income of the CoE

Review of other institutions like NIPFP, ACELG, NIUA, etc. shows that the major income source in the initial years of operation of the institute was through government grants. The key activities of the institution comprise research, policy advocacy and knowledge management, which would take time to generate revenues. It is, therefore, envisaged that substantial grant support would be required for the CoE to function till the time it establishes itself in the market and starts generating revenues through consulting activities and academic programmes.

There are two options which may be considered for grant support. The first option involves a onetime endowment corpus of Rs.300 crore from the government. The second option involves annual recurring grant from the government to the CoE based on annual budgets prepared by the CoE. The option suggested for CoE is to have a onetime endowment corpus from the government. This option would provide the flexibility to plan its activities and thus leaving CoE free to concentrate their efforts towards their tasks and long term goals.

Revenues from academic / training activities and research and consulting activities of the CoE in the later years could be to the tune of around 15-20% of the total income sources.

The potential sources of income for the CoE, apart from Central Government allocations could be contributions by State Governments for undertaking specific research activities, funds from multi/bi-lateral agencies and corporate sponsors of Chairs established at the CoE.

It is seen that institutions like NIPFP conduct training programmes for around 150 participants per year. Similar assumption has been made for the CoE for the potential training/ academic programmes. On an average when fully functional, say in year 4 of operations, the CoE could conduct 5 very highly specialised training programmes with 30 participants per programme.

The income statement showing income from various activities (including grants, academic activities of the CoE and other sources) over a period of 10 years is presented in the Exhibit 10 below. Other sources would be interest income, contributions on account of memberships and other miscellaneous sources.

Exhibit 11: Income Statement

All figures are in Rs. Lakh											
Description	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total
Grants	1897	2222	2994	3025	2460	2316	2690	2886	3037	3188	26714
Income from academic activities	0	79	451	923	1047	735	509	482	496	519	5241
TOTAL	1897	2301	3445	3948	3507	3050	3199	3368	3533	3707	31956

Note- The sharp rise in income from academic activities in Y4, Y5, and Y6 is on account of corporate sponsorship of chairs. This would be a one-time corpus amount and further details are provided in Annexure I

7.4 Project Financing

7.4.1 Non- recurring Expenditure

The entire cost of buildings and infrastructure is assumed to be funded through Government budgetary allocation and hence no debt component is considered. Should MoPR decide to develop the project through PPP or other implementation formats, there would be an additional financing cost incurred by the project proponents.

7.4.2 Recurring Expenditure

While part of the recurring expenditure requirement would be met through revenues from academic/training activities and research and consulting activities of the CoE in the later years (to the tune of around 15-20%), it is envisaged that the remaining cost would be met by adequate budgetary allocations by the ministry, contributions by State governments, funds from multi/bi-lateral agencies and corporate sponsors, as may be possible.

The financial plan would be required to reviewed based on the activities of the CoE and the positioning that may emerge after first 5-10 years of operations. Should the CoE be able to establish itself well in the market and the market for research and consulting in the local governance area develop further, the consulting activities of the CoE may emerge as a significant revenue source. However, this would require to be backed up with strong and reliable databases, in-depth research conducted by the CoE and attracting high quality manpower with research and consulting acumen.

8 Risk Mitigation and Implementation Plan

This chapter presents the risks envisaged for the proposed CoE and the possible mitigation measures. The chapter also presents a detailed implementation road map for the CoE.

8.1 Risks and possible mitigation measures

The major risks for the proposed CoE are as outlined below:

- **Lack of effective cooperation from some key stakeholders:** Support from major stakeholders is crucial for the success of the CoE, as *Panchayati Raj* and local governance cuts across various domains, different levels of intervention and involves a wide range of political, institutional, socioeconomic, cultural and technical dimensions.

As a possible mitigation measure, the composition of the Board is proposed to be representative (but manageable in numbers) and a formal institutional arrangement such as “Chair professional” been proposed.

- **Inability of the CoE to obtain a visionary leader and attract talent:** Establishment of a high quality institution requires the leadership with a bold vision and the first head of the institution often sets its broad direction. Similarly quality of the staff would determine the institution’s credentials. Discussions with various stakeholders indicate that experts in the *Panchayati Raj* domain are relatively few and spread across many existing institutional support institutions. Therefore attracting appropriate talent for the institution is a risk for the proposed CoE.

The CoE needs to be positioned as a one of its kind institution and a startup which offers opportunities to its professionals to work in a highly challenging area. The MoPR and other promoters of this CoE need to offer autonomy to the Centre. The Chief Executive Officer is envisaged to be a respected domain expert which would also encourage other professionals to be a part of this venture.

- **Centre perceived as an arm of the Ministry of *Panchayati Raj* and not as a “thematic leader”:** The success of any organisation depends upon the extent to which it is able to establish its credibility amongst stakeholders, sponsors, and network institutions. The factors facilitating the credibility include rigor and standards reflected in its research, relevance of insights on the needs of PRIs, calibre and profile of the professional staff, liberal and academic environment of the institution, good relationship with the governmental institutions and strategic partnerships with local, regional and international institutions with similar interests.

The MoPR and other promoters of this Centre need to offer autonomy to the Centre. The CoE needs to take positions based on its independent research and fact finding. The CoE may explore different sources of finances, including private sector, multilateral/ bilateral funding agencies, state governments etc.

- **Quality of Output, lack of uptake of the Centre’s programs and advice:** There have been questions raised by some stakeholders whether there is a need for the CoE and whether such a Centre would serve any purpose. Another concern raised is whether the CoE would be able to sustain the quality of its outputs and whether there would be any takers for its programs and advice.

The CoE needs to:

- *Develop mechanisms for ensuring quality, including international assessments and dissemination of research results in internationally recognized publications;*
- *Undertake peer review of activities, both internal and external, as a systemic element: The principal elements in the peer review process include the presence of a formal policy, the appointment of a reviewer, the preparation of written comments, and the existence of methods for resolving conflicts between a reviewer and an author.*
- *Undertake benchmarking studies, conducted by panels of international experts, evaluate the Centre's standing relative to other comparator institutions*

The selection of members of the Board and the Committees needs to be done with adequate diligence to ensure that the best and relevant expertise is available to the CoE. An accountability framework is suggested to be developed upfront and a strong Management Information framework suggested would help as a risk mitigant.

8.2 Performance Assessment framework

In order to systematically monitor the impact and performance of the CoE, a self assessment framework is proposed to be developed. The objective of the self assessment framework is to provide timely and accurate feed back on the progress of the CoE's activities and highlight possible risks. This would also help in ensuring transparency and accountability of various participating stakeholders including partner institutes. Some of the common parameters deployed for assessing the performance of Think Tanks¹⁷ which the CoE could consider include the following:

- Academic reputation (formal accreditation; citations; publication in major academic books, journals, conferences, etc.);
- Media reputation (number of media appearances, interviews, and citations);
- Reputation with policymakers (name recognition with particular issues, number of briefings and official appointments, policy briefs);
- Level of organisation's financial resources (endowment, membership fees, annual donations, government and private contracts, earned income);
- Overall output of organisation (policy proposals, publications, interviews, conferences, staff nominated to official posts);
- Extent to which respected publishers agree to publish an organisation's works;
- Ability to retain elite scholars and analysts;
- Number of recommendations adopted by policymakers, staff serving advisory roles to policymakers, awards given to scholars;
- Organisation's ability to produce new knowledge or alternative ideas on policy;
- Ability to bridge the knowledge gap between policymakers and "on the ground" realities;
- Ability to include new voices in the policymaking process;
- Ability of organisation to be the hub for or central actor in issue and policy networks; and Success in challenging the traditional wisdom of policymakers and the public.

While some of the parameters are quantifiable and may be captured and tracked based on the CoE's normal MIS, many others are based on perception of various stakeholders. In this context, it is

¹⁷ The Think Tanks and Civil Societies Program, 2008, The "Global Go-To-Think Tanks", January 19,2009, James G. McGann, Ph.D. Director Think Tanks and Civil Societies Program International Relations Program University of Pennsylvania

suggested that the CoE may commission periodic stakeholder surveys on its own performance and seek suggestions from them on improving its performance.

8.3 Implementation

An indicative implementation road map is outlined in the Exhibit 11 presented in the following page.

Exhibit 12: Implementation Plan for the proposed CoE

Sl. no	Sub activity	Lead role	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y10
A	Registration of the institution											
	Preparation of MoA for registration	MoPR										
	Completion of registration processes	MoPR										
B	Setting up of oversight mechanisms- Board and other Committees											
	Formation of committee to prepare the ToR for the Board and committees- research and knowledge management committee and capacity building committee	MoPR										
	Preparation, finalisation and approval of Terms of Reference	Committee/ MoPR										
C	Setting up of physical infrastructure											
	Land and Building											
	Constitution of a committee for site selection and monitoring of building construction	MoPR										
	Site selection	Committee										
	Purchase of land	Committee										
	Tendering and selection process for architect and builder	Committee										
	Civil work construction, plumbing, electrical fittings, furnishing, air conditioning, fencing, landscaping	Committee										
D	Recruitment of personnel											
	Constitution of selection committee for identifying and recruiting professionals for the CoE	MoPR										
	Recruitment of Head of Institution	Selection committee/ MoPR										
	Recruitment of other personnel for the Centre	Selection committee										

Sl. no	Sub activity	Lead role	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y10
	Identification of institutions where “chair professionals” may be housed	Head of CoE										
	Signing of MoUs with the Hosting Institutions	Head of CoE										
E	Implementation of technical programmes											
i	Round table conference to identify intervention areas and sectors for research programme	CoE										
	Develop framework for research and action research programme	CoE										
	Identification of potential individuals experts on research partnerships on PR	CoE										
	Identification of potential institutions , academia and NGOs for research/action partnerships	CoE										
	Formation of Researchers’ colloquium with independent research experts and institutions	CoE										
	Support to individual/institutions undertaking research	CoE/ ReCoup										
	Undertake research programmes	CoE										
ii	Gap identification in the areas of project management and implementation	CoE/ Chairs										
	Development of tool kits, manuals, guidelines for programme management and implementation	CoE										
	Undertake consultancy assignments	CoE										
iii	Development of framework for capacity building “need assessment”	CoE										
	Comprehensive capacity building need assessment	Chair/ CoE										
	Preparation of need assessment reports; Compilation and policy recommendations for strengthening capacity building programmes including training	CoE/ Chair										
	Discussion and dissemination of the recommendations with state PRD and PRIs	CoE										

Sl. no	Sub activity	Lead role	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y10
	Development of innovative methods for training and capacity building programmes	CoE/ Chair										
	Conduct master training programme to introduce new capacity building and training methods	CoE/ Chair										
	Development of standardised curricula for training and capacity building	CoE/ Chair										
	Training of Trainers(ToT) for implementation of innovative methodology and standard curriculum	CoE/ Chair										
iv	Preparation of concept note and guideline for establishing networks	CoE/ Committ ee on KM										
	Formation of national networks of institutions(NNI) working on PR, academia and NGOs	CoE										
	Enter MoUs with select institutions	CoE										
	Knowledge sharing meetings	CoE										
	Formation of Local Government Network(LGN) of elected representatives of PRIs	CoE										
	Workshops and seminars to facilitate the exchange of information	CoE										
v	Prepare broad guideline and action plan for possible networks for joint collaboration in research, capacity building and advocacy	CoE										
	Identification and selection of international institutions for networks and preparation of databank of institutions	CoE										
	Formation of International Network of Institutions(INI)	CoE										
	Joint collaboration on research programmes	CoE										
	Joint collaboration on developing capacity building programme	CoE										

Sl. no	Sub activity	Lead role	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y10
	Exposure visits for experience sharing	CoE										
	Organise international seminars	CoE										
vi	Study existing monitoring system and come with concept note for modification	CoE										
	Developing performance evaluation indicators for PRIs											
	Developing standard guidelines and formats for MIS and M&E	CoE										
	ToT trainings	CoE										
	Development of framework for impact evaluation	CoE										
	ToT for implementing impact evaluation	CoE										
Vii	Innovative best practices and major lessons in service delivery are documented	CoE/ Chair										
	Organise seminars to share and exchange of information of and to replicate to other areas.	CoE/ Chair										

Annexure A- Terms of Reference

Background:

The Government of India-UNDP project Capacity Development for Local Governance, is implemented by the Ministry of *Panchayati Raj* (MoPR). The project aims at strengthening institutions and mechanisms so as to enhance capacities of elected representatives and functionaries for human development oriented, inclusive planning, implementation, and improved accountability in local governance.

A study on feasibility of establishing a national centre for local governance (“Feasibility Study for Centre for Local Governments”, IPE, August 2006), strongly recommended establishing a dedicated centre for undertaking research and capacity development on local governance issues.

The Ministry of *Panchayati Raj* has requested UNDP to engage services of an agency to produce a concept and action plan for a Centre of Excellence/Think Tank for Local Governance, taking into account on the recommendations of the aforementioned study.

Responsibilities:

The selected agency will work closely with the National Project Director, MoPR-UNDP CDLG Project, in critically reviewing the feasibility study and preparing a concept and action plan for establishing a Centre for Excellence/Think-Tank. The agency is specifically expected to produce a Detailed Project Report (DPR) which entails:

- A well defined methodology to undertake the assigned task;
- Detailed objectives and mandate for the proposed Centre/Think-Tank;
- Recommended organisational structure best suited to respond to the needs identified;
- Terms of reference for the proposed Centre/Think-Tank in accordance with the priorities identified by MoPR;
- Exploration of options for placing the Centre/Think-Tank within national resource institutions and recommendation of the most suitable institution(s) for the purpose;
- Estimated annual budgetary requirement and possible funding sources for the same to ensure sustainability of the Centre/Think-Tank;
- An action plan indicating roles and responsibilities and with timelines for establishing the Centre/Think-Tank.

While preparing the DPR for setting up the Centre for Excellence/Think Tank, the selected agency shall consult the DPR prepared for an organisation such as the NIFTEM (Ministry of Food Processing) which will be provided at the time of engagement as a sample DPR. Also, the selected agency is expected to undertake desk review of other documents as well as conduct interviews. Travel may be required.

Annexure- B: List of Stakeholders consulted

Sl.no	Name
1.	Dr.NC Saxena, Consultant, UNICEF, New Delhi
2.	Dr.Sudhir Krishna Addl. Secretary, Ministry of <i>Panchayati Raj</i> , Government of India
3.	Mr.Joy Elamon Resource Person(Decentralisation), Solution Exchange,United Nations Development Programme, New Delhi
4.	Mr.Jairaj Phatak Addl. Secretary, Ministry of Panchayati Raj, Government of India
5.	Ms.Rashmi Shukla, Joint Secretary, Ministry of Panchayati Raj, Government of India
6.	Mr. Giri Raj Singh Director General, Indira Gandhi <i>Panchayati Raj</i> and GraminVikas Sansthan(SIRD), Jaipur
7.	Mr. Gajanan Sharma Additional Director, Indira Gandhi <i>Panchayati Raj</i> and GraminVikas Sansthan(SIRD), Jaipur
8.	Mr.Vijay Chowdhary Dy. Director, Indira Gandhi <i>Panchayati Raj</i> and GraminVikas Sansthan(SIRD), Jaipur
9.	Prof.Ajay Vir Singh Indira Gandhi <i>Panchayati Raj</i> and GraminVikas Sansthan(SIRD), Jaipur
10.	Prof. Anita Indira Gandhi <i>Panchayati Raj</i> and GraminVikas Sansthan(SIRD), Jaipur
11.	Mr. Surjit Singh Director, Institute for Development Studies (IDS), Jaipur
12.	Mr. Arvind Agarwal,

- Project Officer ,Unnati, Jaipur
13. Mr. Virendra Shrimali
Programme Officer, The Hunger Project,Jaipur
 14. Mr.George Mathew
Director
Institute of Social Sciences, New Delhi
 15. Mr.Chetan Vaidya
Director,
National Institute of Urban Affairs,New Delhi
 16. Mr.Manoj Rai
Director, PRIA, New Delhi
 17. Ms.Indu Patnaik
Dy. Advisor,
Planning Commission, Government of India

 18. Mr. PD Meena
Joint Secretary,
Ministry of Tribal Affairs, Government of India
 19. Ms.Veena Upadhyay
Director General,
State Institute of Rural Development, Lucknow
 20. Mr.V Ramachandran
Chairman,
Centre for Management Development, Thycaud, Thiruvananthapuram
 21. Prof. G Palanithurai
Professor and Head
Rajiv Gandhi Chair for Panchayati Raj Studies
Department of Political Science and Development Administration, Gandhigram
Rural University, Gandhigram
 22. Mr.Rajesh Tandon
Director
PRIA, New Delhi
 23. Ms.Sumeeta Banerjee

Asst. Country Director

United Nations Development Programme, New Delhi

24. Prof. Tapas Sen

National Institute of Public Finance and Policy

25. Mr. Phani Kumar,

Commissioner

State Institute of Rural Development, Andhra Pradesh

26. Dr. Mathew C Kunnumkal

Director General

National Institute of Rural Development

Annexure C- Bibliography

1. Asoka Mehta Committee Report, Government of India, Department of Rural Development, Ministry of Agriculture. 1978.
2. Annual Report 2007-08, Centre for Good Governance
3. Australian Centre of Excellence for Local Government, 2009. Project Plan 2009-2014, September 2009.
4. Australian Centre of Excellence for Local Government, Annual Report 2009.
5. Commonwealth Local Government Forum Business Plan 2009-2012.
6. Council of Europe, Toolkit of Local Government, 2005. Capacity Building Programmes.
7. Fifteenth Anniversary Charter on *Panchayati Raj*.2008. "Inclusive Growth through Inclusive Governance" April 2008
8. Final Report: JBIC Pilot Study on Public Private Partnership in Infrastructure Development in India, November 2007.
9. German Federal Ministry for Economic Cooperation and Development (BMZ), 2000.
10. Ghosh, M and R. Vishwanathan. 2002. "Convergence Report Centrally Sponsored Schemes :Identifying a domain for the *Panchayati Raj* Institutions"
11. Government of India, Ministry of Agriculture, Department of Rural Development, 1985. Report of the Committee on Administrative Arrangements for Rural Development and Poverty Alleviation Programmes, G.V.K. Rao committee, New Delhi
12. Government of India, Ministry of Food Processing Industries. 2006. "Detailed Project Report on Setting up National Institute of Food Technology, Entrepreneurship and Management (NIFTEM).
13. Government of India, Ministry of Human Resource Management. 2008. Report of IIM Review Committee. "IIMs: From Great Teaching Institutions to Thought Leadership Centres" 25th September, 2008
14. Government of India, Ministry of Human Resource Management. 2009. Technical Education Quality Improvement Plan: Project Implementation Plan.
15. Government of India, Ministry of *Panchayati Raj* and Planning Commission, "Report of the Working Group on Democratic Decentralisation & PRIs, 2006."
16. Government of India, Ministry of *Panchayati Raj*, Report of the Expert Group, "Planning at the Grassroots Level – An Action programme for the Eleventh Five Year Plan." March 2006
17. Government of India, Ministry of *Panchayati Raj*. "Report of the Three Regional Workshops on Perspective Plans for Capacity Building & Training of Elected Representative of PRIs."
18. Government of India, Ministry of *Panchayati Raj*. 2004. A Compendium of Resolutions of the Seven Round Tables of Ministers in-charge of *Panchayati Raj*
19. Government of India, Ministry of *Panchayati Raj*. 2005,2007,2008,2009 Annual Reports
20. Government of India, Ministry of *Panchayati Raj*. 2008. Study of EWR's in *Panchayati Raj* Institutions.
21. Government of India, Ministry of *Panchayati Raj*. 2009. Report on the National Conference of Chairpersons/CEOs of District Planning Committees. 16-17 January 2009.
22. Government of India, Ministry of Rural Development, National Institute of Rural Development.2008. Annual Report 2008-09.
23. Government of India, Ministry of Rural Development, National Institute of Rural Development, National Institute of Rural Development. "Manual 5 - Rules, Regulations, Instructions, Manuals and Records for discharging functions"

24. Government of India, Ministry of Rural Development, National Institute of Rural Development, National Institute of Rural Development. "Service Bye-laws".
25. Government of India, Planning Commission of India, Manual for Integrated District Planning
26. Government of India, Planning Commission. 2001. Report of the Task Force on *Panchayati Raj* Institutions (PRIs) New Delhi, December 2001.
27. Government of India, Report of the Expert Committee. 2006. Planning for the Sixth Schedule areas
28. Government of India, Second Administrative Reforms Commission. 2007. "Local Governance – An Inspiring Journey into the Future." October 2007.
29. Government of Kerala, Kerala Institute of Local Administration (KILA), 2009. Report of The Committee For Evaluation of Decentralised Planning and Development, March 2009
30. Improvement and Development Agency (IDeA), "IDeA Business Plan 1 April 2010 – 31 March 2011".
31. Improvement and Development Agency (IDeA).2008. Annual Report 2008-09.
32. Indian Institute of Management (IIM-A), 2005. "Sustaining Academic Excellence – A position paper prepared by the faculty of the Indian Institute of Management, on the issues of fees and autonomy." September 2005.
33. Institute of Public Policy Research Ltd., "Challenging Ideas – Changing Policy".
34. Johnson, C. "Decentralisation in India – Politics, Poverty and *Panchayati Raj*". University of Guelph, Department of Political Science. February 2003.
35. Kerala Institute of Local Administration (KILA),"Kerala– A Case Study of Classical Democratic Decentralization"
36. Kerala Institute of Local Administration (KILA).2009. Calendar of Training Programs, 2009-10.
37. Mathew, G. 2006 "New *Panchayati Raj*: Present Status and Future Prospects." European Institute for Asian Studies.
38. National Institute of Public Finance and Policy (NIPFP). "Rules of the NIPFP employees' Gratuity Fund." 20th February, 1986.
39. National Institute of Public Finance and Policy (NIPFP). 2004-05, 2005-06,2006-07,2007-08,2008-09,Annual Report
40. National Institute of Urban Affairs, Memorandum of Association Rules and Regulations.
41. National Institute of Urban Affairs, Annual Report 2003-04, 2005-06, 2006-07.
42. New Zealand Society of Local Government Managers, President's Report 2007/2008.
43. New Zealand Society of Local Government Managers.2008. Annual Plan and Budget 2008-09.
44. Panchayati Raj Institutions in India -- A Scoping Study for the World Bank
45. Patel, I., S. Paul., P. N. Khandwalla., A. Bose., K R S. Murthy., N. Vittal., R. T. Krishnan, and A. K. Jain.,A. K. Gupta. 2004. "Social Context of Management Education: Institution Building Experiences at IIMs." *Vikalpa* Vol. 29, pp 85-109
46. Record of the proceedings of the National Consultation – "Academics for *Panchayati Raj*" held at Vigyan Bhawan Annexe on 25-26 February, 2009
47. Saxena, N and J. Ravi, "Realising Potential of *Panchayati Raj* in India".
48. Sri Lanka Institute of Local Governance (SLILG). 2007. "Local Governance Networks and Umbrella Organizations" March 2007.
49. State Institute of Rural Development (SIRD), Mysore Annual Training Program. April 2010-March 2011
50. The Center for Florida Local Government Excellence, Brochure.
51. The Gazette of India Extraordinary, Ministry of Law and Justice. 2005. Right to Information Act.

52. United Nations Development Programme(UNDP), Capacity Assessment Report “Strengthening of State Support Institutions in the Focus States” August 2008
53. United Nations Development Programme (UNDP), Oslo Governance Center. Annual Report 2009
54. United Nations Development Programme(UNDP), Oslo Governance Center. “A Users’ guide to Measuring Local Governance”.
55. United States Agency for International Development (USAID), “USAID’s Experience in Decentralisation and Democratic Local Government” September 2000.
56. Think Tanks and Policy Advice in the US, James G McGann, Foreign Policy Research Institute, August,2005
57. Managing Think Tanks- Practical Guide for Maturing Organisations, Raymond J Struyk

Annexure D – List of websites referred

1. <http://www.acelg.org.au/>
2. <http://niua.org/>
3. <http://panchayat.nic.in/>
4. <http://rural.nic.in/>
5. <http://www.cgg.gov.in/>
6. <http://www.clg.uts.edu.au/>
7. <http://www.clgf.org.uk/index.cfm>
8. <http://www.demos.co.uk/>
9. <http://www.icld.se>
10. <http://www.icma.org/>
11. <http://www.idea.gov.uk>
12. <http://www.idrc.ca>
13. <http://www.iim.org.au>
14. <http://www.ilgm.co.za/>
15. <http://www.info4local.gov.uk/>
16. <http://www.ippr.org.uk/>
17. <http://www.issin.org/>
18. <http://www.kilaonline.org/>
19. <http://www.lga.gov.uk>
20. <http://www.lgiu.gov.uk>
21. <http://www.localgovt.co.nz/>
22. <http://www.localis.org.uk/>
23. <http://www.logotri.net/>
24. <http://www.nipfp.org.in/>
25. <http://www.nird.org.in/>
26. <http://www.niua.org/>
27. <http://www.sird.tn.nic.in>
28. <http://www.sirdpune.com/>
29. <http://www.solace.org.uk/>
30. <http://www.solgm.org.nz/>
31. <http://www.uclg-aspac.org/>
32. <http://www.undp.org/oslocentre/>
33. rd.up.nic.in/sird.htm
34. www.legalissuesforngos.org

Annexure E: Role of Ministries

Ministry of Panchayati Raj (MoPR): The Union Ministry of *Panchayati Raj* (MoPR) is responsible for advocacy for and monitoring of the implementation of the 73rd CAA. The Ministry's efforts, since its inception in 2004 have been in three directions, first to change Central policies to make them more devolution friendly, second to persuade and guide States to accelerate and undertake steps in *Panchayati Raj* reforms and third, to undertake public advocacy with elected *Panchayat* representatives and civil society to build up a social conscience in favour of empowering local governments and make them work effectively, transparently and be accountable to citizens¹⁸.

Some of the important initiatives taken by the MoPR are presented below:

- **The Backward Region Grant Fund:** This Scheme promotes decentralised, participative & holistic planning process, as an essential condition for getting BRGF grant. It bridges the critical gaps in development and builds capacity of PRIs & official functionaries.
- **e-Governance Project:** e-PRI is identified as one of the Mission Mode Projects (MMPs) under NeGP. It proposes to provide a whole range of IT related services such as Decentralised Database & Planning, PRI Budgeting & Accounting, Implementation & monitoring of Central and State schemes, Citizen-centric Services, Unique codes to *Panchayats* and Individuals, Essential GIS based applications, On-line Self-learning medium for elected representatives and official functionaries
- **Panchayat Empowerment and Accountability Incentive Scheme:** This scheme aims at incentivising States to devolve 3Fs to *Panchayats* and *Panchayats* to be more transparent and accountable.
- **Nyaya Panchayat Bill, 2009:** MoPR has proposed a *Nyaya Panchayats* Bill, which aims at ensuring participatory and people-oriented system of justice with greater scope for mediation, conciliation and compromise.
- **Panchayat Mahila Shakti Abhiyan:** It is a scheme for the Elected Women Representatives (EWRs) to build their confidence and capacity
- **National Capability Building Framework for Panchayati Raj Elected Representatives and Functionaries** aims at approaching capacity building in an integrated manner
- **Thrust on Activity Mapping:** MoPR has played a key role in persuading State Governments in undertaking activity mapping which is a key step towards devolution of the 3Fs.

The MoPR is presently considered the most active organisation promoting the cause of PRIs in the country. It is also an initiator of various policy advocacy debates in the country. It sponsors various monitoring reports including the status of PRIs, devolution status, progress in governance reforms, etc. It also facilitates bringing together of civil society, academic and experts in various fields related with *Panchayati Raj* on a common platform through various seminars/workshops etc. It has also been instrumental in aiming at standardizing of capacity building of various elected representatives, functionaries and stakeholders through a common framework.

Ministry of Urban Development (MoUD): The Ministry of Urban Development is responsible for formulating policies, supporting programs, monitoring programs and coordinate the activities of various Central Ministries, State Governments and other nodal authorities related to urban development issues in the country.

The major roles of the MoUD are:

¹⁸ Records of the proceedings of the National Consultation-“Academics for *Panchayati Raj*” held at Vigyan Bhawan on 25-26 February, 2009

- Administration of urban infrastructure and governance component of Jawaharlal Nehru National Urban Renewal Mission, Schemes for development of Infrastructure in satellite towns, North-Eastern Region Urban Development Programme, Metros etc., for creation of basic urban infrastructure.
- Facilitation of implementation of Urban Sector Reforms through various schemes and Policy initiatives.
- Preparation of a plan for the development of the National Capital Region and coordinate and monitor its implementation.
- Facilitation of access to Institutional finance for urban infrastructure in National Capital Region states through National Capital Regional Planning Board (NCRPB).
- Coordination of multilateral / bilateral assistance for projects in urban development.
- Technical assistance through Town and Country Planning Organization (TCPO), Central Public Health & Environmental Engineering Organization (CPHEEO) and National Institute of Urban Affairs (NIUA) and Centres of Excellence.

Some of the important initiatives taken by the MoUD are presented below:

- **JnNURM:** The objective of the Mission is to give focused attention to planned development of identified cities including peri-urban areas, outgrowths and urban corridors to foster dispersed urbanization, ensure adequate funds to meet the deficiencies in urban infrastructural services, provide basic services to the urban poor including security of tenure at affordable prices, improved housing, water supply and sanitation etc. The assistance under the programme is provided after approval of City Development Plans and signing of MoAs for reforms. It has provided a comprehensive framework for urban local governance.
- **The National Urban Sanitation Policy (NSUP)** has been launched Government of India with the overall policy goal of making urban India into a “community driven, total sanitised, healthy and liveable cities and towns”.
- **National Urban Transport Policy (NUTP)** : MoUD recognizes the increasing urban road congestion and its associated air pollution. This strategy puts primary emphasis on the need to increase the efficiency of use of road space by favoring public transport and by the use of traffic management instruments to improve traffic performance and by restraining the growth of private vehicular traffic. Complementing this is a strategy to reduce vehicle emissions by technological improvements in vehicles and fuels.

Ministry of Rural Development (MoRD): The Ministry has the following mission-Sustainable and inclusive growth of rural India through a multi pronged strategy for eradication of poverty by increasing livelihood opportunities, providing social safety net and developing infrastructure for growth and improvement of quality of life in rural India.

Some of the important initiatives taken by the MoRD are given below:

- **Bharat Nirman:** It is a mega rural infrastructure creation programme which focuses on six types of infrastructure such as water supply, rural housing, electricity, roads, irrigation and IT. It has the target of providing safe drinking water to all habitations by 2012. It also aims to connect all villages that have a population of 1000 (or 500 in hilly/tribal areas) with an all weather road by 2012.
- **Provisions of Urban amenities in Rural areas (PURA):** This scheme aims to uplift the rural areas through employment generation, infrastructure development, social security and sustainable development of natural resources.

- **Pradhan Mantri Gram Sadak Yojana:** The primary objective of the PMGSY is to provide connectivity, by way of an All-weather Road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected habitations in the rural areas. In respect of the Hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir, Uttaranchal) and the Desert Areas (as identified in the Desert Development Programme) as well as the Tribal (Schedule V) areas, the objective would be to connect habitations with a population of 250 persons and above.
- **Rural Housing**
- **National Social Assistance Programme:** The National Social Assistance Programme (NSAP) comprise of National Old Age Pension Scheme (NOAPS), National Family Benefit Scheme (NFBS) and National Maternity Benefit Scheme (NMBS). These programmes are meant for providing social assistance benefit to the aged, the BPL households in the case of death of the primary breadwinner and for maternity. These programmes are aimed to ensure minimum national standards in addition to the benefits that the States
- **National Rural Employment Guarantee Act, 2005:** Mahatma Gandhi National Rural Employment Guarantee Act aims at enhancing the livelihood security of people in rural areas by guaranteeing hundred days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work.

Some of the other important schemes initiated are:

- **Swarnjayanti Gram Swarozgar Yojana:** The objective of the Swarnjayanti Gram Swarozgar Yojana (SGSY) is to bring the assisted poor families (Swarozgaries) above the Poverty Line by ensuring appreciable sustained level of income over a period of time. This objective is to be achieved by inter alia organising the rural poor into Self Help Groups (SHGs) through the process of social mobilization, their training and capacity building and provision of income generating assets. The SHG approach helps the poor to build their self-confidence through community action. Interactions in group meetings and collective decision making enable them in identification and prioritisation of their needs and resources. This process is envisaged to ultimately lead to the strengthening and socio-economic empowerment of the rural poor as well as improve their collective bargaining power.
- **Central Rural Sanitation Programme (CRSP):** This programme aims at improving the general quality of life in rural areas; accelerating coverage in rural areas; generating demand through awareness creation and health education; and controlling incidence of water sanitation related diseases.
- **Total Sanitation Campaign (TSC):** It is a community based programme where *Panchayati Raj* Institutions are in the forefront. As per TSC Guidelines, the implementation at the district level is to be done by the District *Panchayats*. *Panchayats* at block and village level are to be fully involved for implementation of the programme. Where District *Panchayat* is not in a position to implement the programme, it is being implemented by District Water & Sanitation Mission which is chaired by Chairperson of District *Panchayat* and the Village Committees are chaired by the Chairpersons of Gram *Panchayats*. In the later case, the Village Water & Sanitation Mission is part of the Gram *Panchayat*.
- **Swajaldhara:** This programme aims at providing Community-based Rural Drinking Water Supply. The key elements of this programme are namely, (i) demand-driven and community participation approach, (ii) *panchayats* / communities to plan, implement, operate, maintain and manage all drinking water schemes, (iii) partial capital cost sharing by the communities upfront in cash, (iv) full ownership of drinking water assets with Gram *Panchayats* and (v) full Operation and Maintenance by the users/ *Panchayats*.

Ministry of Health & Family Welfare (MoH&FW): The objectives of the Ministry include improving access to primary health care services for all sections of society, improving Maternal and Child health, ensuring a reduction in the growth rate of population with a view to achieve population stabilization, developing human resources for health to achieve health goals, reducing overall disease burden of the society, strengthening secondary and tertiary health care

Some of the important initiatives taken by the MoH&FW are presented below:

- **The National Health Policy, 2002:** The policy emphasizes implementation of public health programmes through PRIs, especially the national disease control programmes. Some States have adopted a policy of devolving programmes and funds in the health sector through different levels of the *Panchayati Raj* Institutions. The adoption of such an organisational structure has enabled need-based allocation of resources and closer supervision through the elected representatives. The Policy examines the need for a wider adoption of this mode of delivery of health services, in rural as well as urban areas, in other parts of the country.
- **The National Population Policy 2000:** The objective of the NPP 2000 is to address the unmet needs for contraception, health care infrastructure, and health personnel, and to provide integrated service delivery for basic reproductive and child health care. The policy recommends to form committees of the *panchayats* (headed by an elected woman *panchayat* member) to promote a gender sensitive, multi-sectoral agenda for population stabilisation, that will "think, plan and act locally, and support nationally".
- **National Rural Health Mission (NRHM):** The NRHM seeks to provide effective healthcare to rural population throughout the country with special focus on 18 states, which have weak public health indicators and/or weak infrastructure. It aims to undertake architectural correction of the health system and promote policies that strengthen public health management and service delivery in the country. The NRHM is seen as a vehicle to ensure that preventive and promotive interventions reach the vulnerable and marginalized through expanding outreach and linking with local governance institutions.
 - The Village Health Committee (VHC) will form the link between the Gram *Panchayat* and the community which will be responsible for working with the Gram *Panchayat* to ensure that the health plan is in harmony with the overall local plan. It is anticipated that this committee will prepare a Village Health Plan and maintain village level data, supervised by the Gram *Panchayat*.
 - ASHA, the mechanism to strengthen village level service delivery, will be a local resident and selected by the Gram *Panchayat* or the Village Health Committee (VHC). ASHA's role would be to facilitate care seeking and serve as a depot holder for a package of basic medicines.

PRIs are seen as critical to the planning, implementation, and monitoring of the various schemes and initiatives of MoH&FW. Success of the MoH&FW in achieving its outcomes is significantly dependent on well functioning gram, block and district level *Panchayats*. The 29 activities assigned to the *Panchayats* as per XI schedule include activities such as health and population stabilization, family welfare, health and sanitation, (including hospitals, primary health centers, and dispensaries,) and the XII schedule includes public health. The task force appointed by Planning Commission defined key functions of PRIs at each tier for the five major programmes within HFW such as Reproductive and Child Health (RCH), and programmes for Vector Borne Diseases, Blindness TB Control Programmes, and STI/AIDS.

Ministry of Women and Child Development (MoWCD)¹⁹: The Ministry is the nodal ministry for the advancement of women and children. It formulates plans, policies and programmes; enacts/amends legislation, guides and coordinates the efforts of both governmental and non-governmental organisations working in the field of women and child development. The Ministry also implements certain programmes for the welfare and upliftment of women and children. These programmes cover welfare and support services, training for employment and income generation, awareness generation and gender sensitization

Some of the important initiatives taken by the MoWCD are presented below:

- **The National Policy for Empowerment of Women, 2001:** The goal of this policy is to bring about the advancement, development and empowerment of women. The policy is envisaged to be widely disseminated so as to encourage active participation of all stakeholders for achieving its goals. Key features of the policy include creating an environment through positive economic and social policies for full development of women, ensure enjoyment of all human rights and fundamental freedom by women, equal access to health care and education facilities and discourage discrimination against women.
- **Integrated Child Development Scheme, 1975:** The scheme aims to improve nutritional and health status of children in the age-group 0-6 years, lay the foundation for proper psychological, physical and social development of the child, reduce the incidence of mortality, morbidity, malnutrition and school dropout, achieve effective co-ordination of policy and implementation amongst the various departments to promote child development, enhance the capability of the mother to look after the normal health and nutritional needs of the child through proper nutrition and health education. To achieve the objectives of the scheme supplementary nutrition, health checkups, referral services, pre-school non formal education, nutrition and health education and other such services are provided.

There are many such other schemes initiated by MoWCD such as Gender Budgeting Scheme, Swarna Siddha, Short Stay Homes for women and girls, Swadhar, STEP, Integrated Child Protection Scheme, Balika Samridhhi Yozna, Kishori Shakti Yozna, Nutrition Programme for Adolescent Girls, Central Adoption Resource Agency and so on.

Success of the policies and schemes initiated by MoWCD is dependent on the successful implementation in the rural areas as they constitute almost 70% of the Indian population. At the same time objective of PRIs are also met through the effective execution of these schemes. PRIs also identify gaps and problems in implementation of the programmes and communicate them to the programme agencies for their rectification. Gram Sabha also help in identification of beneficiary households (children and lactating mothers), arranging accommodation within the village, providing necessary assistance to anganwadi worker for cooking food where necessary, mobilising target group households to seek assistance of the programme, verifying whether the benefits are reaching the children and the pregnant / lactating mothers as the case may be.

Ministry of Tribal Affairs: The Ministry of Tribal Affairs is the nodal Ministry for overall policy, planning and coordination of programmes of development for the Scheduled Tribes. Some of its functions include the following:

- Social security and social insurance with respect to the Scheduled Tribes.
- Tribal Welfare: Tribal welfare planning, project formulation, research, evaluation, statistics and training.
- Promotion and development of voluntary efforts on tribal welfare.
- Scheduled Tribes, including scholarship to students belonging to such tribes.
- Development of Scheduled Tribes.

¹⁹ <http://wcd.nic.in/>

- All matters including legislation relating to the rights of forest dwelling Scheduled Tribes on forest lands
- Commission to report on the administration of Scheduled Areas and the welfare of the Scheduled Tribes;
- Issue of directions regarding the drawing up and execution of schemes essential for the welfare of the Scheduled Tribes in any State.

Some of the other important programmes of the Ministry include the Special Central Assistance to Tribal Sub Plan, Hostel for ST boys and girls, Vocational Training Centres, Scheme on research and Training, Scheme of development of primitive tribal groups etc.

The Ministry protects the interest of the tribal communities living in rural and forest areas. PRIs are expected to contribute towards the implementation of the programmes to bring about progress and to reserve the rights of the tribal.

Annexure F: Sample vision and mission statements of other Centers of Excellence

A. International organisations

1.	The Partnership for Governance Reform, Indonesia
	<p>Vision: A fair, democratic and prosperous Indonesia built on sustainable good governance principles and practices</p> <p>Mission: To promote and institutionalize good governance principles in Indonesian society through implementing harmonized reform programmes to strengthen public service governance, deepen democracy and improve security and justice. Consideration for gender equality and the needs of marginalized groups are integral in achieving our mission.</p>
2.	International Centre of Excellence for Local e-Democracy (ICELE)
	<p>Vision: We are the premier association of professional local government leaders building sustainable communities to improve lives worldwide.</p> <p>Mission: To create excellence in local governance by developing and fostering professional local government management.</p>
3.	Center for Florida Local Government Excellence
	<p>Vision: Serve as the premier model (recognized nationally and internationally) for educating and assisting current and future generations of Florida City and County Managers.</p> <p>Mission: The centre will build and maintain meaningful partnerships that will provide education, professional development, research-based information and innovative solutions, to serve the existing and emerging needs of Florida's current local government management professionals, and prepare future generations of local government leaders and administrators</p>
4.	NZ Society of Local Government Managers (SOLGM)
	<p>Vision : To be the leading influence for local government managers and staff to advance the sustainability of our communities</p>
5.	Ateneo de Naga University - Centre for Local Governance
	<p>Vision: A credible centre capable of advocating genuine participative governance and providing research and information through strong and sustainable partnership with various stakeholders.</p>
6.	International City/County Management Association (ICMA)
	<p>Mission: ICMA's mission is to create excellence in local governance by developing and fostering professional local government management worldwide</p>
7.	LOGOTRI, Network of Local Government Training and Research Institutes in Asia and the Pacific
	<p>Vision: Effective and efficient local government which can meet the needs and aspirations of its people.</p> <p>Mission: To build the capacities of local government training and research institutes so that these institutes can provide sound technical and managerial training and undertake</p>

	research".
8.	Australian Centre for Excellence in Local Governance
	<p>Vision & mission World-class local government to meet the emerging challenges of 21st century Australia.</p> <ul style="list-style-type: none"> • A national network and framework within which local government organisations, government agencies, academic institutions, training bodies and other key stakeholders can collaborate in areas of mutual interest • Research and development capacity to support policy formulation, drive innovation and help address the challenges facing local government • Leadership in promoting informed debate on key policy issues • A clearing house for the exchange of information and ideas, identifying, showcasing and promoting innovation and best practice in local government • Inputs to capacity building programmes across the local government, with an initial emphasis on long term financial sustainability and asset management • Workforce development initiatives including education, training and skills development for both staff and elected members • Leadership development programmes for both senior and emerging leaders • A specialist focuses on the particular needs of local government in rural and remote areas, including Indigenous local governance.
9.	Institute of Local Government Management of South Africa (ILGM)
	<p>Vision: The iLGM aims to be the centre of excellence of local government management in South Africa and Africa.</p> <p>Mission: To promote excellence in local government management through the development and capacitation of managers in the sector and through lobbying of stakeholders and advocacy.</p>
10.	University of the Philippines - National College of Public Administration and Governance (NCPAG)
	<p>Vision: The NCPAG envisions a public service founded on competence and compassion, integrity and leadership, and on values of public interest and high ethical standards. It commits itself to serve the nation by initiating and promoting the requisite reforms in governance. To these ends, it seeks to build and maintain a highly qualified faculty and staff and a well-equipped, pro-active organisation.</p> <p>Mission: As the premier school of Public Administration in the Philippines, the NCPAG</p> <ul style="list-style-type: none"> • strives to promote excellence and relevance in the study and practice of public

	<p>administration, executive leadership, and policy and administrative research;</p> <ul style="list-style-type: none"> • serves as a social critic as well as a purveyor of policy advice and technical assistance in government and nongovernmental agencies; • seeks to build and nurture ties with international as well as local bodies engaged in the improvement of governance; and • continuously and critically strives to meet the challenges and problems of governance.
11.	Local Government and Improvement (Formerly IDeA- UK)
	There is no Vision/ Mission Statement as such, however the key tag line states ‘Our shared ambition is to make an outstanding contribution to the success of local government’

B. National organisations

Sl.no	Name of Organisation	Vision & Mission
1.	National Institute for Urban Affairs	
	Vision & Mission	The mission is to provide policy prescriptions, innovations for better local governance, information and training inputs to all those concerned with improving the living conditions and quality of life of urban residents.
2.	Institute for Rural Management ,Anand(IRMA)	
	Vision & Mission	IRMA’s mission is to promote sustainable, ecologically-friendly and the equitable socio-economic development of rural people through professional management
3	National Institute for Health hand Family Welfare(NIHFW)	
	Vision & Mission	NIHFW is to be seen as an Institute of global repute in public health & family welfare management. To act as think tank, catalyst & innovator for management of public health and related health & family welfare programmes by pursuing multiple functions of Education & Training, Research & Evaluation, Consulting & Advisory services as well as provision of specialised services through inter-disciplinary teams.
4	National Institute for Rural Development(NIRD)	
	Vision & Mission	To examine and analyse the factors contributing to the improvement of economic and social well-being of people in rural areas on a sustainable basis with focus on the rural poor and the other disadvantaged groups through research, action research and consulting efforts. To facilitate the rural development efforts with particular emphasis and focus on the rural poor by improving the knowledge, skills and attitudes of rural development officials and non-officials through organising training, workshops and seminars

Annexure G- Comparison of Three Forms of Registration²⁰

Description	Society	Trust	Company
Acts under which it is registered	The Societies Registration Act, 1860	The Registration Act 1908	The Companies Act, 1956
Ease of Formation	Relatively simple, it may take 1-2 months.	Very simple, it may take a week	Relatively complicated, it may take 3-6 months.
Authority with whom to be registered	Registrar of Societies of the concerned State	Sub-registrar of Registration at District level	Registrar of Company of the concerned state
Approval of Name	Separate application not required. Name is generally granted if available	Not required	Separate application is required to be made. There are strict guidelines for approval of name.
Minimum no. of subscribers/ trustees required	Seven	Two	Two
Cost of Registration	Less than Rs. 10,000/-	Less than Rs. 10,000/-	Less than Rs. 25,000/-
Governing Structure	Two tier structure a) General Body b) Board of Directors	Single tier structure the Trustees are the ultimate authority	Two tier structure a) General Body b) Board of Directors
Voting Rights	All members have equal rights	All Trustees have equal rights	The voting rights may vary on the basis of share holding. This provision can be used for control purposes.
Type of activities allowed	Not much difference between 3 forms. Any kind of charitable & public utility activities can be undertaken.	Same	Same
Annual Documents to be filed	The Act requires a list of managing body to be filed every year. But different states have different requirements for filling additional documents ever year.	No documents are required to be filled.	Annual return and audited accounts are required to be filed every year.
General & Board meetings	General & Board meetings are required to be held as	No provisions are laid down. Adequate rules should be framed in	Specific provisions have been laid down. At least 1 Annual

²⁰ Source: www.legalissuesforngos.org

	prescribed in the bye laws of the society.	the trust deed, in this regard.	General Meeting and four Board meetings are required to be held every year.
Transfer of Membership	Membership is not transferable	Membership is not transferable	Membership can be transferred. Restriction on transfer can also be placed.
Payment to functionaries	Permitted as per general body approval	Provision in the trust deed should be there for any such payment.	Permitted as per general body approval
Recurring expenditure	The statutory compliances required are minimal. Consequently recurring expenditure are also negligible.	No statutory recurring expenditure	Annual returns & Balance Sheet are filed along with certain fees. Again the quantum of expenditure is not significant.
Area of operation	Can operate throughout India even if registered in one particular State. No separate registration is required for operating in another state.	Can operate throughout India	Can operate throughout India as the registration is granted by the Central Government.
Income Tax Registration	Compulsory within 12 months of its registration	Same	Same
FCRA Registration on Prior Permission	Compulsory for receiving foreign funds.	Same	Same
Labour & other relevant laws	To be compiled as per applicability.	Same	Same
Foreigner as a member/ trustee	Possible	Same	Same
Threat in having foreigner on Board	Difficulties may be faced in getting FCRA registration	Same	Same

Annexure H: Roles and Responsibilities²¹

CEO

Key Competencies

- The CEO must have a broad-based national reputation for expertise on major issues in *Panchayati Raj*/Local governance/decentralization themes. His/her views, analysis, and commentary are sought out by the broad public policy world – policy makers, PRI stakeholders, academics, political figures, journalists etc
- The CEO should have held prominent positions in an area of operation relevant to PR and local governance

Roles

- Overall responsible for preparing a roadmap for the CoE
- Overall responsible for the a) Strategic direction of the organisation, b) Image and c). Financial health
- Overall responsible for motivation, leadership, goal setting for the top management (Directors).
- Institutionalisation of a positive (technology enabled) and contemporary work culture.
- Spokesperson for the organisation as a whole at all national and international forum.
- To work closely with the other directors to ensure proper resource planning
- Collaborate with relevant ministries, institutions for linking activities to CoE mandate , policies and campaigns
- Ensure that the mandate and role of the CoE is known to collaborating partners, authorities and institutions
- To carry out any other task as assigned by the Governing Board from time to time.

Key Expectations

- Interactions with the media (often quoted in print, on local and national radio and television)
- Speaking at high-quality forums and gatherings focused on broad public policy
- Writing substantive pieces for the serious popular press such as opinion editorials or articles for national news outlets (such as major newspapers, general interest magazines etc.)
- Serving) on government and private commissions, substantive panels, and/or advisory boards
- Raising funds to support their own activities and those that promote the mission of the CoE

Programme Head

Key Competencies

- The Directors must have a broad-based national reputation for expertise on major issues in *Panchayati Raj*/Local governance/decentralization themes. His/her views, analysis, and commentary are sought out by the broad public policy world – policy makers, PRI stakeholders, academics, political figures, journalists etc
- They should have held prominent positions in the public/private sector in an area of operation relevant to PR and local governance

Roles

- To lead the research and advocacy activities of designated practice areas/programme themes
- To plan the research and advocacy activities to be carried on an annual, quarterly and monthly basis.
- To manage the personnel involved in the research assignment.
- Responsible for planning, control and quality of various assignments

²¹ Source: Adapted from “Managing Think Tanks- Practical Guide for Maturing Organisations; Raymond J Struyk

- To develop adequate systems to vet the quality of the research output, i.e. to identify various parameters, benchmark with similar institutions.
- Collaborate with relevant ministries, institutions for linking activities to CoE mandate , policies and campaigns
- Ensure that the mandate and role of the CoE is known to collaborating partners, authorities and institutions

Expectations

Same as that for the CEO

Senior Fellow

Key Competencies

- National reputation for policy-related research/analysis on local governance/*panchayati raj*/decentralization. This reputation should be demonstrated through a number of research accomplishments
- An extensive publications record including a significant number of articles in high-rated journals and a body of other published work such as policy briefs, contributions to books, and influential project reports;
- Around 15 years of research and advocacy experience

Roles

- To guide the creation of a comprehensive warehouse of all studies carried out and also a database of various studies carried out by similar institutions in relevant areas both locally and abroad.
- To guide the development of adequate systems to vet the quality of the research output, i.e. to identify various parameters and identify benchmarks from similar institutions.
- To demonstrate research leadership through the initiation and completion of a number of successful, highly complex research projects, and the proven ability to mentor junior staff
- To support the Directors and the CEO in planning, control and quality of various assignments
- To function as principal investigator in large research and consultancy projects
- Ensure that the mandate and role of the CoE is known to collaborating partners, authorities and institutions

Fellow

Key Competencies

- National reputation for policy-related research/analysis on local governance/*panchayati raj*/decentralization. This reputation should be demonstrated through a number of research accomplishments
- An extensive publications record including a significant number of articles in high-rated journals and a body of other published work such as policy briefs, contributions to books, and influential project reports;
- 7 years of research and advocacy experience

Roles

- Demonstrate research leadership through the initiation and completion of a number of successful, highly complex research projects, and the proven ability to mentor junior staff
- Design the research approach and selects the appropriate quantitative or other tools of analysis

- Responsible for planning and independently executing a major research project
- Function as principal investigator and project manager for medium sized/large projects

Senior Research Associate

Key Competencies

- A combination of the quantitative, analytical, and writing skills, relevant substantive knowledge, and social policy research experience needed to perform the duties described above
- The academic knowledge of and research experience in a relevant discipline

Roles

- Design the research approach and selects the appropriate quantitative or other tools of analysis, with consultation from more senior staff.
- Responsible for planning and independently executing a major research project in consultation with and under the general supervision of a senior staff
- Perform analysis, draws policy inferences, writes and presents reports. May develop and write proposals.
- Supervise and/or participate in data collection, and analysis by less senior research staff; participate in interpreting data from a policy perspective
- Makes site visits, conducts interviews with public officials, and supervises field research.
- Function as principal investigator and project manager for small projects
- Maintains budget and manages resources for segments of research project under his/her responsibility; may supervise less senior researchers
- Participate in writing final reports and presenting results to clients.

Research Associate

Key Competencies

- Must demonstrate the ability to conduct research of quality
- Expertise in manipulating and analyzing complex data using statistical programming software
- A detailed and thorough understanding of one or more databases or programming software.
- Strong writing skills, demonstrated through high-quality contributions to reports and articles.
- Substantive knowledge of his or her field(s), including an understanding of key policy issues and an ability to apply that knowledge to research.
- Effective data collection through surveys or site visits.
- Excellent communication skills and good judgment
- Effective mentoring of new staff including helping to train them

Roles

- Make substantive contributions to research projects by (1) framing analytic questions; (2) identifying relevant measures and data sources; (3) organizing the process of data collection and analysis; and (4) interpreting the results.
- Play a significant role in the development and design of research projects.
- Independently analyse qualitative information and/or quantitative data.
- Manages components of research projects.
- Presents research methods and findings to clients and other outside audiences.

Research Assistant

Key Competencies

- Demonstrate a combination of analytic and writing skills, relevant substantive knowledge, and social policy research experience
- 4 years of research experience

Roles

- Plays a role in the development and design of research projects.
- Analyse qualitative information and/or quantitative data.
- Authors or coauthors sections of research reports

Annexure I: Assumptions Sheet

EXPENDITURE ASSUMPTIONS

Parameter	Assumption	Basis/Rationale
Administrative Building		
Rooms /space for professionals	Carpet Area: Group A: 160 sq ft /unit Group B: 100 sq ft /unit Support Staff: 40 sq ft /unit (the levels of personnel comprising each Group are provided under the head of manpower planning)	Norms prescribed by AICTE
Conference room (Capacity 100)	Carpet Area: 5000 sq ft	Norms prescribed by AICTE
Board Room (Capacity 15)	Carpet Area: 1000 sq ft	Norms prescribed by AICTE
Syndicate Room	Carpet Area: 220 sq ft Number: 4	Norms prescribed by AICTE
Library	Carpet Area: 1000 sq ft	Norms prescribed by AICTE
Data center / Server room	Carpet Area: 800 sq ft	Norms prescribed by AICTE
Pantry Area	Carpet Area: 800 sq ft	Norms prescribed by AICTE
Store Room	Carpet Area: 550 sq ft	Norms prescribed by AICTE
Toilets	Carpet Area: 200 sq ft Number: 2	Norms prescribed by AICTE
Reception Area	Carpet Area: 200 sq ft	Norms prescribed by AICTE
Construction cost for administrative building	Rs 2200 per sq ft	Based on industry practices
Office Space Rental (interim arrangement)	Rental: Rs 120 per square feet per month Area: 100 sq feet per person	Based on industry practices
Other facilities		
Guest House	No. of rooms:8 Carpet Area per room: 200 sq ft Construction Cost: Rs 2500 per sq ft	Norms prescribed by AICTE, and industry practices
Hostel facility	No. of rooms:20 Carpet Area per room (including common areas): 400 sq ft Construction Cost: Rs 2200 per sq ft	Norms prescribed by AICTE, and industry practices

Staircase	One per block, Area: 225 sq ft	Industry practices
Efficiency factor	85%	Industry practices

Manpower Plan

Strength of Core team	Y1: 13 Y2: 23 Y3: 29 Y4: 41	Gradual increase in core team with an aim to get personnel at various levels for all seven specialisation areas
Strength of Administrative team	Y1: 18 Y2: 20 Y3: 22 Y4: 28	The set of professionals for administration function would include officers for Admin, Finance, IT, Library, as well as support staff
Salary Structure	Group A- Rs 75000 to Rs 120000 per month depending on level (CEO, Director, Senior Fellow and Fellow) Group B- Rs 30000 to Rs 50000 per month depending on level (Research Associates, Administrative Officers) Support Staff- Rs 10000 to Rs 30000 per month	Broadly in line with Sixth Pay Commission Recommendations
Chair Professionals	Y1: 6 Y2: 10 Y3: 15 Y4: 22 Y5: 25 Corpus Amount: Rs 2 crore per chair (one time)	Inferences from similar organizations and discussions with stakeholders

IT Infrastructure

Vendor for IT support services	Rs 20 lakh per year	Based on industry practices
Number of Desktops/Laptops	Y1- 30 Y2- additional 12 Y3- additional 8 Y4- additional 18	Assigned to Group A, B, and support staff as and when they are appointed
Average cost per desktop/laptop	Rs 40 thousand	Based on industry practices
Server requirement	Unit: 1 Cost per unit: Rs 7 lakh	Based on industry practices
Knowledge Management system	Development of system- Rs 20 Lakh (Y3) Management of system (outsourced)- Rs 20 lakh per year, starting from Y3	Based on industry practices

Travel

International travel	No. of trips Y1- 0 Y2- 7	Gradual increase to match with the envisaged workload/ activity levels
----------------------	--------------------------------	--

	Y4- 10 Cost per trip per person: Rs 1.6 lakh	Cost based on industry practices
Domestic travel	No. of trips Y1- 240 Y3- 520 Cost per trip per person: Rs 20,000	Gradual increase to match with the envisaged workload/ activity levels Cost based on industry practices
Vehicle hire	No. of vehicles: 2 Cost per year per vehicle: Rs 3.6 lakh	Based on industry practices

Training and Miscellaneous Expenditure

Capacity building of staff	Rs 30 lakh each year	Training cost: Rs 50000 per person per day Over a two year period, Group 1 and 2 employees to undergo training for 5 days, and Group 3 and 4 for 2 days
Leased line cost	Rs 5 lakh per year	Based on industry practices
Stationary cost	Rs 40 thousand per year	Based on industry practices
Consumables	Rs 1.2 lakh per year	Based on industry practices
Public Relations Agency	Rs 50 lakh per year, Y2 onwards	Based on industry practices

Maintenance

Facility Management	Rs 12 per sq ft per month	Covers all costs for utilities, security, etc, and is based on industry practices
Insurance cost of the fixed asset	1% (annual)	Based on industry practices
Maintenance cost of fixed asset excluding land	5% (annual)	Based on industry practices

Activities organized by CoE

Round Tables /FGDs	No. of events Y1: 1 Y2: 2 Y3: 4 No. of participants: 25 per event, for 2 days Cost: Rs 5000 per day per participant	Gradual increase in number of Round Tables /FGDs. As their purpose is to get inputs on the research being undertaken, it would increase with the level of activity. Cost is based on industry practices
--------------------	--	--

Seminars	No. of events Y1: 0 Y2: 0 Y3: 2 No. of participants: 25 per event, for 2 days Cost: Rs 5000 per day per participant	As their purpose is to disseminate findings of the research, these events would be initiated from Y3 onwards Cost is based on industry practices
Training programmes	No. of events Y1: 0 Y3: 2 Y5: 5 No. of participants: 30 per event, for 5 days Cost: Rs 50000 per day per participant	As the in-centre training programmes can be conducted only after the Centre is established and core team is appointed, these events would be initiated from Y3 onwards Cost is based on industry practices

Research Colloquium

Research through Individuals	Y1: 2 Y2: 5 Y3: 10 Y6: 12 One research study per individual, cost: Rs 2 lakh per research study	Gradual increase based on level of activity, cost based on industry practices
Research through Institutions	Y1: 5 Y2: 10 Y3: 15 Y5: 25 One research study per institution, cost: Rs 5 lakh per research study	Increase based on envisaged growth in activity, cost based on industry practices

Activities through network institutions

Training programmes	No. of events Y1: 5 Y2: 10 Y3: 15 Y4: 20 Y5: 25 Number of participants: 50 per event Cost per participant: Rs 30000	Increase based on envisaged growth in activity, cost based on industry practices
Seminars/Conferences	No. of events Y1: 5 Y2: 10 Y3: 15 Y4: 20 Y5: 25 Number of participants: 50 per event, for 2 days	Increase based on envisaged growth in activity, cost based on industry practices

	Cost per participant: Rs 20000	
Documentation of best practices	Y1: 3 Y2: 5 Y3: 10 Cost: Rs 3 lakh per documentation	Based on industry practices
Publications	Leaflets and brochures: 4 each year Cost per 1000 copies: Rs 15000 Reports: Y1: 5 Y3: 15 Y3: 25 Cost per 1000 copies: Rs 1 lakh Toolkits, Manuals and Guidelines Y1: 2 Y2: 5 Y3: 10 Cost per 1000 copies: Rs 1 lakh	Leaflets and brochures about schemes, information on PR activities, innovations, research findings Number of reports to be published every year would be determined by the research undertaken by institutions Number of toolkits, manuals and guidelines to be published every year would be determined by the research undertaken by individuals Cost based on industry practices

Other Overall Assumptions

Cost escalation per annum	5%	Based on past trend in WPI inflation
Contingency	1%	Covers unforeseen expenditure, taken as % of total cost
Plinth Area	1.4 * Carpet Area	AICTE Norms
Total Land Area	2 * Calculated Sum of (Administrative building, Guest houses, hostels, Staff housing) Land Cost: Rs 80000 per sq yard (Rs 8888 per sq ft)	AICTE Norms Land cost is calculated based on the facilities planned and considering the Global FSI of 1 and ground coverage of 50%

REVENUE ASSUMPTIONS

Parameter	Assumption	Basis/Rationale
Grant		
Central Government Grant	Y1 The grant required from Central Government would match the estimated total expenditure in the first year Y2 onwards The grant component of Central Government would equal the total expenditure minus the income from academic activities and grant from other sources	Inferences from similar organizations and discussions with stakeholders
Grant from Multi /Bilateral agencies, other sources	Y1: 0% Y2 onwards: 10% of total grant amount	Inferences from similar organizations and discussions with stakeholders
Generation of funds from various activities		
Consulting assignments	Y1: 2 Y2: 5 Y3: 6 Consultancy Fees: Rs 35 lakh per assignment (plus an increase of 5% per annum) Recovery: 30%	Inferences from similar organizations and discussions with stakeholders
Training programmes organized by CoE as well as through network institutions	Details already provided Recovery: 50% (when organized by CoE) Recovery: 25% (when organized through network institutions)	Inferences from similar organizations and discussions with stakeholders
Income from chairs	Y3: 3 Y4: 4 Y5: 3 Sponsorship amount: Rs 2 crore	With the increase in Chair Professors, the CoE would be able to get sponsorship for some of them (for 10 Chairs over a period of 3 years)
% of surplus revenue to be used to fund the activities	80%	Inferences from similar organisations

Annexure II :Draft advertisement for the position of the CEO

The Ministry of Panchayati Raj has established a national Centre of excellence for Local governance/Panchayati Raj. The Centre is expected to act as a think tank and provide intellectual support to the Ministry to strengthen the implementation of Panchayati Raj. To lead the programmes of the CoE, the Ministry is looking for a dynamic person corresponding to the following profile:

- Lead the overall strategic planning, providing directions for the CoE and contribute the strategic development and Management of the Centre
- Oversees the implementation of CoE's programs and manages project personnel to achieve the stated objectives.
- Actively lead, and support change initiatives related to strategy, organisation, common values, and roll out of new policies as well as ensuring organisational learning
- Responsible for generating funding from international and bilateral agencies, corporations, and individuals to continue and aggressively expand project activities
- Ensure the right people Management, optimizing the organisation, ensuring that people with the right competencies are performing in the right roles, at the right time
- Responsible for overall program design and proposal development; program oversight to ensure a high standard and quality of implementation
- Represents CoE in formal and informal meetings with government officials, international donor agencies, and other relevant stakeholders.
- Lead and coordinate the Programme of CoE including planning and implementing overall programme;
- Ensure the highest technical and professional standards in the Centre's service delivery, training programmes and advisory services to stakeholders;
- Interacting with local, national and international institutions and organisations and collaborators to identify priorities and opportunities for CoE's work and developing collaborative programmes;
- Make sure that the experiences of the programmes are scaled up through specific support to Chair Professionals in the form of consultancy, capacity development and knowledge provision;

Minimum Qualifications Required

For this demanding and challenging position, the MoPR looking for a candidate corresponding to the following profile:

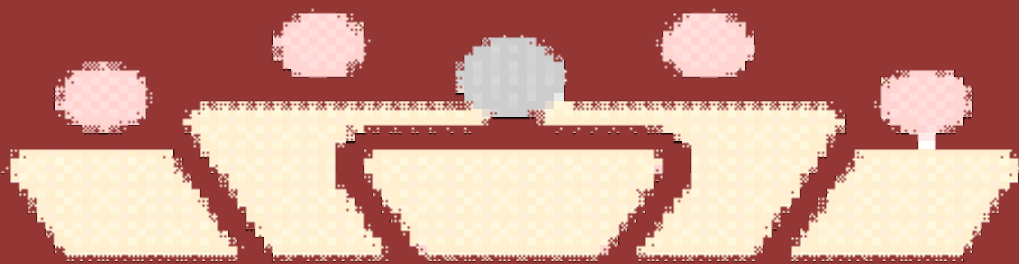
- Preferably a PhD degree in management or social science with experience in management or local governance or related field
- Minimum of 20 years experience in a leading management position
- Good leadership quality with strategic vision
- Excellent communication skills
- Cooperative and target-oriented management style

Duration: Initially for 2 years; extendable subject to performance.

Remuneration: Remuneration is commensurate with experience and qualifications.

Annexure III: Illustrative list of institutions for networking

Sl.no	Areas of cooperation	National institutions	International institutions
1.	Policy research and advocacy	NIPFP, IEG, IIPA, ISS	New Local Government Network/International Centre for Local Democracy (ICLD), UK, DEMOS & Institute of Public Policy Research (IPPR), UK
2.	Research and Policy foresight, Innovation and Best Practice in local governance, Governance and Strategic Leadership, Human resource development Advocacy and networking	NIRD, LBSNAA, Gandhigram Rural University	Commonwealth Local Governance Forum, UK
3.	Documentation of best practices, exchange of experiences, exposure visits	PRIA, NIRD, SIRDs	LSG ministries in developing countries
4.	Change management for local governance, organisational development, financial management, leadership and management	IIM, TISS	Improvement and Development Agency for local government, UK
5.	Training and development	NIRD, IGNOU, BIRD, RBI Training, IRMA, NCAER	Institute of Local Government Management of South Africa (ILGM), SA
6.	Organisation Capacity Building, Innovation and Best Practice, Governance and Strategic Leadership	IRMA, ISS, TISS	Network of Local Government Training and Research in Asia and the Pacific, NEPAL
7.	Knowledge management and participation	Rajiv Gandhi Foundation, PRIA	The King Prajadhipok Institute (KPI), Thailand



Ministry of Panchayati Raj Government of India

This Detailed Project Report (DPR) has been prepared by PwC under the MoPR-UNDP 'Capacity Development for Local Government (CDLG) Project