

National Reconstruction Bureau

Guidelines for City District Transition Team and Town Transition Teams and Transition Report on City District *including* City District Government Transition Report and Town Municipal Administrations Transition Reports

TASKS AND STEPS

July 2001

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1. INTRODUCTION

The Local Government Plan and the (Draft) Local Government Ordinance 2001 (LGO 2001) provides for the establishment of a new institution - the City District. This institution is being created to respond to the specific needs of the mega cities and largely urban districts of Pakistan.

The Local Government Plan 2000 envisages that large cities like Karachi, Lahore, Faisalabad, Gujranwala, Multan, Hyderabad, Peshawar, Sukkur, Quetta, Rawalpindi and Bahawalpur will be declared City Districts in a phased manner. Initially Karachi, Lahore, Peshawar, Quetta, and Islamabad have been declared city districts. While in the common districts spatial planning and municipal services are the exclusive function of the Tehsil Municipal Administration, in the City District some planning and macro municipal functions will be managed centrally by a City District Government in addition to all the common district functions. The nature of infrastructure and population densities in urban areas necessitates city wide planning to achieve economies of scale, rationalisation of investments, or the benefits of modern technologies among other reasons.

Like the common district, the City District will have three tiers: the City District Government (CDG), the Town Municipal Administration (ToMA) and the Union Administration (UA). In recognition of the need for specific institutional arrangements to respond to the nature of integrated planning and municipal functions in City Districts, the three tiers are not analogous to the ones in the common district: in the City District, the ToMA will be responsible for those functions assigned to the Tehsil Municipal Administration in the common district to the extent that these can be performed by the ToMA – i.e. those functions which due to technical reasons do not require a city level management.

When setting up the City District Government and ToMA, two important principles have to be kept in mind:

- ✓ where technical factors allow, the principle of subsidiarity has to be used in determining which planning and municipal services/functions are assigned to the City District Government and which ones are assigned to ToMA; and that
- ✓ the transition process should be smooth and no disruption or dip in services should be felt by the people.

The purpose of this document is to help the Provincial Transition Team (PTT), the City District Transition Team (CDTT) and the Town Municipal Administration Transition Teams (TTTs) in preparing the City District Transition Report. The City District Transition Report (CDTR) will be submitted to the Provincial Transition Team.

The City District Transition Report will include and be based on:

1. City District Government Transition Report (CDGTR) complete with organisational plan for city district government offices at city, town and union level. This includes *Forms CDG-1 to CDG-8* for the City District Government which describe the group of functions, departments, organogram and the deployment of officers, staff and assets.
2. Town Municipal Administration Transition Reports (ToMATR). These include *Forms ToMA-1 to ToMA-6* for each ToMA of the City District.
3. One time transition cost estimates.

These Guidelines are structured in five sections:

1. Section Two provides an overview of the City District Government as in the Draft LGO 2001 (Draft, 30th June, 2001).
2. Section Three briefly describes the Town Municipal Administration as in the Draft LGO 2001 (Draft, 30th June, 2001).
3. Section Four describes the transition framework i.e. the guidelines, the legal framework, and the targets and time frame within which the City District Transition Report and those for the City District Government and ToMAs have to be prepared.
4. Section Five describes the contents of the CDTR, CDGTR and ToMATR and the tasks and steps involved in their preparation.
5. Section Six, the Annexes, include the Forms that need to be filled, the statements to be prepared and relevant extracts from the draft LGO 2001.

2. OVERVIEW OF CITY DISTRICT GOVERNMENT

2.1. **Functions.** The City District Government shall consist of Zila Nazim and District Administration. The City District Government shall be competent to acquire, hold or transfer any property, movable and immovable, to enter into contract and to sue or be sued in its name, through District Coordination Officer. On the commencement of the Local Government Ordinance, the administrative and financial authority for the management of offices of the Government specified in Part A of the First Schedule of the LGO 2001 set up in a district shall stand decentralised to the City District Government of that District¹. In addition, on the creation of a City District, the authorities and organisations providing municipal services and facilities will come under the management of the City District.

2.2. **Composition.** The City District will comprise officers, staff and assets from:

- ✓ The provincial departments decentralised to the District Government.
- ✓ The Development Authorities and agencies attached to the City District.
- ✓ Some of the officers, staff and assets from the Urban Local Councils (ULCs) and District Councils which will form part of the City District, in as far as they relate to the functions of the City District.

2.3. **Offices of the City District.** The Table on next page shows the offices/functions of the City District Government and their grouping under Part C and Part D of the First Schedule of the LGO 2001 (Draft 30th June, 2001). Each of these offices, based on the ground situation and technical considerations, will have offices at the City District level, Town level² and where required at the Union level.

¹ Please refer to the draft LGO 2001 for more details regarding this decentralisation.

² Please note that this does not refer to the Town Municipal Administration or Union Administration offices but to offices of the City District Govt. at these two levels.

**Groups of Offices and Offices of the City District
(Part C and Part D of the First Schedule of LGO 2001)**

FIRST SCHEDULE, PART C		
SR. NO.	GROUP OF OFFICES	OFFICES
1.	District Co-ordination	<ul style="list-style-type: none"> ▪ Co-ordination ▪ Human Resource Management ▪ Civil Defence
2.	Agriculture	<ul style="list-style-type: none"> ▪ Agriculture (Extension) ▪ Livestock ▪ On Farm Water Management ▪ Soil Conservation ▪ Soil Fertility ▪ Fisheries ▪ Forests
3.	Community Development	<ul style="list-style-type: none"> ▪ Community Organization ▪ Labour ▪ Social Welfare ▪ Sports and Culture ▪ Cooperatives ▪ Registration Office
4.	Education	<ul style="list-style-type: none"> ▪ Boys Schools ▪ Girls Schools ▪ Technical Education ▪ Colleges (other than professional) ▪ Sports (education) ▪ Special Education
5.	Finance and Planning	<ul style="list-style-type: none"> ▪ Finance and Budget ▪ Planning and Development ▪ Accounts ▪ Enterprise and Investment Promotion
6.	Health	<ul style="list-style-type: none"> ▪ Public Health ▪ Basic and Rural Health ▪ Child and Women Health ▪ Population Welfare ▪ District & Tehsil (Head Quarters) hospitals
7.	Information Technology	<ul style="list-style-type: none"> ▪ Information Technology Development ▪ Information Technology Promotion ▪ Database
8.	Law	<ul style="list-style-type: none"> ▪ Legal Advice and Drafting ▪ Environment
9.	Literacy	<ul style="list-style-type: none"> ▪ Literacy Campaigns ▪ Continuing Education ▪ Vocational Education
10.	Executive Magistracy (Excluding trial functions)	
11.	Revenue	<ul style="list-style-type: none"> ▪ Land Revenue ▪ Estate ▪ Excise and Taxation
12.	Works and Services	<ul style="list-style-type: none"> ▪ Spatial Planning and Development ▪ District Roads and Buildings ▪ Energy and Transport

ADDITIONAL OFFICES IN FIRST SCHEDULE, PART D		
SR. NO.	GROUP OF OFFICES	OFFICES/FUNCTIONS
1.	Public Transport	<ul style="list-style-type: none"> ▪ Public Transportation and mass transit ▪ Passenger and freight transit terminals ▪ Traffic Planning, Engineering ▪ Parking
2.	Enterprise and Investment Promotion	<ul style="list-style-type: none"> ▪ Industrial estates and technology parks ▪ Cottage, small and medium sized enterprise promotion ▪ Investment promotion and protection
3.	Depending upon the economies of scale and nature of infrastructure, the City District Government may set up offices for integrated development and management of the following services	<ul style="list-style-type: none"> ▪ Water Source Development and management, storage, treatment plants, and macro-distribution ▪ Sewage tertiary and secondary network, treatment plants, and disposal ▪ Storm water drainage network and disposal ▪ Flood Control Protection and rapid response contingency plans ▪ Natural disaster and civil defence planning ▪ Solid waste management, treatment and disposal, including land fill sites and recycling plants ▪ Industrial and hospital, hazardous and toxic waste, treatment and disposal ▪ Environmental control, including control of air, water, and soil pollution in accordance with federal, provincial laws and standards ▪ Land use, zoning and classification and reclassification ▪ Urban design and urban renewal programmes; promulgation of building rules and planning standards ▪ Parks, forests, play grounds, sporting, and other recreational facilities ▪ Museums, art galleries, libraries, community and cultural centres ▪ Conservation of historical and cultural assets ▪ Landscape, monuments, and municipal ornamentation ▪ Urban and housing development, including urban improvement and upgrading, and urban renewal and redevelopment, with care being taken to preserve historical and cultural monuments. ▪ Regional markets and city-wide commercial centres

3. OVERVIEW of TOWN MUNICIPAL ADMINISTRATION (ToMA)

3.1. **Functions:** In every town in a City District, there shall be a Town Municipal Administration which shall be a body corporate and shall consist of a Town Nazim, Town Municipal Officer, Town Officers and other officers of the Local Council Service and officials of the offices entrusted to the ToMA. The ToMA will be responsible for spatial planning (land use planning and zoning), development facilitation/control (site development and building control) and municipal services (water, sanitation, solid waste, roads and streets, street lights, graveyards, fire fighting, traffic engineering, abattoirs, parks and open spaces) in a town of the City District, other than from those functions which for technical or other reasons, are retained with the City District Government. The ToMA will be responsible for planning, capital investments and operation and maintenance of municipal services.

3.2. **Composition:** The provincial line departments and the existing local councils which will comprise the ToMA are as follows:

- A. All present ULCs (including DMCs in Karachi), excluding such functions and associated officers, staff and assets which under the LGO 2001 are not assigned to it.
- B. The District Council, (with the associated officers, staff and assets), in as far as these relate to functions assigned to ToMA under the LGO 2001.

- C. Provincial Government Departments decentralised to the ToMA:
 - ✓ Local Government and Rural Development Department.
 - ✓ Public Health Engineering Department.
 - ✓ Housing and Town Planning/ Physical Planning Department..

The Divisional, District, Tehsil and Zonal/Regional Staff of these departments will also be decentralised to the ToMAs.

3.3. **Offices.** The LGO 2001 describes a broad organisational structure for the ToMA. This includes four Town Officers (Planning and Co-ordination; Infrastructure and Services; Regulation; and, Finance). This structure may be modified, where necessary, to meet the requirements of each ToMA, when preparing the organograms for the ToMA.

4. TRANSITION FRAMEWORK

4.1. **Guidelines for administrative transition:** The following Guidelines, based on the presentation of Chairman NRB on 29th January, 2001 to the Chief Executive's Committee on Devolution, are being issued for the purposes of preparing the City District Transition Report:

- A. The City District Transition Team (CDTT) and the Town Municipal Administration Transition Teams (TTTs) will not work in isolation from each other. Both teams will use the same information base.
- B. If any work on the creation of the CDG or ToMA has been initiated, such information/work will be used for the purposes of preparing the City District Transition Report, as long as it is consistent with the Guidelines provided here.
- C. PHED community managed schemes transferred to communities will not be centralised.
- D. When deciding on functions and offices to be determined for the City District, Town and Union levels, the principle of subsidiarity should be used and technical considerations should be taken into account. Explicit criteria should be used in determining the level at which a function will be carried out.
- E. Officers, staff, and assets (other than land and buildings), liabilities and receivables of the existing local governments (MCorp/MC/TC and District Council) shall be identified according to functions as detailed in the LGO 2001 (Draft June 30th. 2001) as follows:
 - ✓ Union Administration Chapter VII of the LGO 2001
 - ✓ ToMA Chapter V of the LGO 2001
 - ✓ City District Government Chapter III of the LGO 2001
- F. Authorities (Development Authority and Water and Sanitation Agencies/Boards etc)

All development authorities, WASAs etc which are working in the City District, shall during the transition phase and until any reorganization is carried out in the City District, be placed under the City District Government and continue to work in the area of its territorial and functional jurisdiction. Provided that each such entity will:

 - (a.) prepare and implement a vertically integrated decentralization plan showing its functions, officers and staff, and assets at the City, Town and Union levels;
 - (b.) work in close collaboration with the other offices of the City District Government; and,
 - (c.) report directly to the DCO (or his nominee).

- G. The departments given in Part A of the First Schedule will be decentralized to the City Districts. The functions, officers and staff, and assets of these departments will be decentralized to the City District, Town and Union levels according to the functions given in the draft LGO 2001 and the requirements on ground.
- H. The staff of the existing local governments (MCorp/MC/TC) will provide the 'core' for the ToMA. Some staff may be retained by the City District Government for specific macro municipal functions and any additional staff that may be required by the Union Administration according to the functions detailed in Chapter VII of the LGO 2001, may be attached to them.
- I. The functions, officers and staff, and assets (other than land and buildings) of the Local Government and Rural Development Department; Public Health Engineering Department and Housing and Physical Planning Department will be identified for the ToMA of the area they are working in. Some officers, staff and assets may be retained by the City District for specific macro municipal functions. LG&RDD staff may be attached to the Union Administration according to its requirements for performing the functions assigned in Chapter VII of the LGO 2001.
- J. District Council officers, staff and assets may be transferred to the City District Government and if relevant to the ToMA of the area where they are working. Some such additional staff as is required for the Union Administration, may be attached to them.

4.2. Managing Transition-Rules and Principles: The LGO 2001 provides the legal parameters for managing transition (reproduced in Annex V). The Transition Teams must adhere to these rules and principles.

- A. Services will be provided without interruption during the transition period by all agencies, departments and institutions involved. All functionaries of the local councils, development authorities and agencies, and the provincial line departments will continue to perform their respective duties until otherwise notified.
- B. On commencement of the LGO 2001, the properties, assets and liabilities of the local councils, development authorities and agencies will be transferred to their successors in the City District and the ToMA, as appropriate.
- C. The salaries, emoluments and pensions of any employees working in the government and development authorities or in the local councils will not be affected if transferred or re-located.
- D. No fresh recruitment shall be made to fill any vacancy in the local government set up under the Ordinance during the transition period and till the adjustment for optimal utilization of all employees of the Government, Local Council Service, and servants of Local Councils, except with the express sanction of the Government.
- E. All taxes, fees, tolls, rents etc. being charged, levied and collected (including all arrears) by any of the agencies involved shall continue. Where grants or compensation are being provided, they should be continued.
- F. The Government shall close down the operation of the divisional offices and where applicable the regional/circle and zonal offices. Such offices shall cease to function by 31st December, 2001.
- G. Policies, bye-laws³ and regulations will continue "as is" until new ones are framed by the City District Council and/or Town Council.

4.3. Targets to be Achieved (Time Frame): Two phased transition to the new City District structure is given below.

A. Phase One: July 1st 2001 - August 13th, 2001: Immediate

³ This is provided for in Chapter XIX of the LGO 2001 (Draft 30th June, 2001)

This phase will include determining which officers, staff and assets are to be sent to the City District from the provincial line departments, District Councils and ULCs; which staff of the provincial departments and ULCs will go to the ToMA; and the vertically integrated decentralization plans of the city level Authorities. Once this exercise is complete, the one time transition cost estimates of establishing the City District, ToMA and the Union Administration can be determined. Both assets and resources (financial and human) will need to be re-organised which will require redeployment of staff, establishing new reporting lines, and transfer of assets.

B. Phase Two: August 14th 2001 - December 31st, 2001: Short Term

This phase will include the transformation of the newly created City Districts and ToMAs into fully functional entities, and the full integration of decentralized departments and authorities in the City District and ToMA Organizational Structure, as envisaged under the LGO 2001. This will require the streamlining of all reporting lines, the restructuring of existing line departments (i.e. if divisional, circle, zonal or other regional staff has still not been re-deployed) and the dissolution of the division as an administrative tier. In this phase the City District and ToMA can initiate work on its own organizational restructuring ensuring there is no dip in service levels.

After Transition and in the Long Term, consolidation and improvement of capacity will be undertaken and the restructuring of the Authorities. This phase will include capacity building of these new institutions to improve their efficiency and effectiveness. This would include work on procedures, tools, equipment and resources.

Targets to be achieved for the preparation of the City District Transition Report

Preparation of the Basic Working Information	21 st July 2001
Handing over Basic Working Information for preparation of City District Govt Transition Report (CDGTR) and Town Municipal Administration Transition Reports (ToMATRs)	23 rd July 2001
Preparation of CDGTR (by CDTT)	28 th July 2001
Preparation of ToMATRs (by TTTs)	28 th July 2001
Preparation on One Time Transition Cost Estimates for Union Administration	28 th July 2001
Review of CDGTR and ToMATRs, Compilation and Finalization of CDTR (by CDTT)	4 th August 2001
Submission to PTT	4 th August 2001
Issuance of Orders of Staff to be Relocated for City District Government and ToMAs	8 th August 2001
Transfer of Assets for City District Government and ToMA/s	8 th August 2001
Functional City District Government/ToMA/s in Place	14 th August, 2001
Restructuring/Capacity Improvement	From 31 st Dec 2001

5. CITY DISTRICT TRANSITION REPORT

The Forms to be filled and presented in the report are at Annex II to IV:

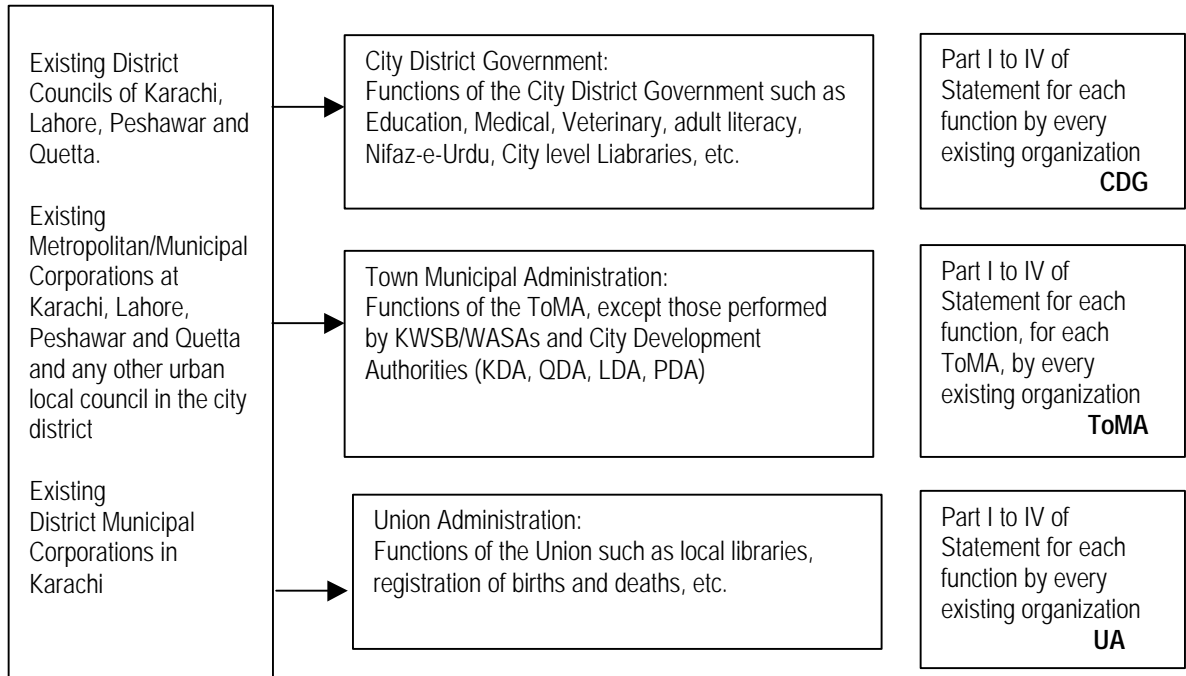
- ✓ Annex II: Forms to be filled for the City District Government Transition Report.
- ✓ Annex III: Forms to be filled for each Town Municipal Administration Transition Reports.
- ✓ Annex IV: Forms to be filled for City District Transition Report: One time transition cost estimates.

5.1. Tasks and Steps

A. Basic Working Information

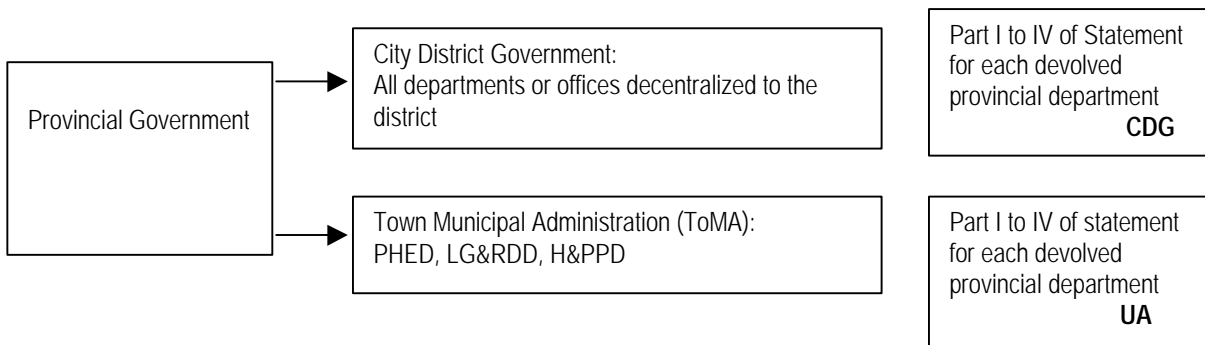
Step 1: Identification of functions of the existing local governments, assigned to City District Government, Town Municipal Administration and Union Administration.

This is to be done by the City District Transition Team. For each existing local councils, the functions devolved to the City District Government, Town Municipal Administration and Union Administration are to be identified and Part I to IV of the statement shown in Annex I are to be prepared .



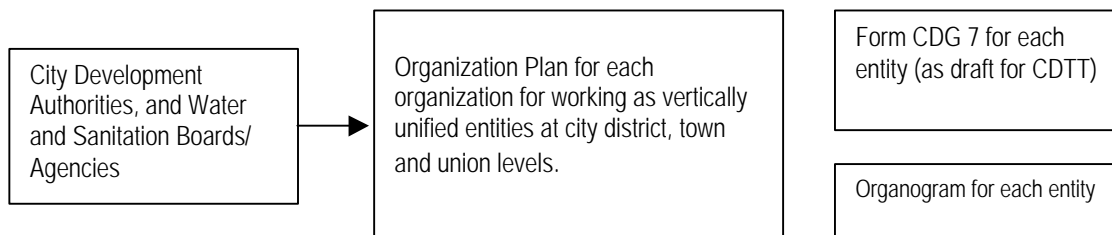
Step 2: Identification of functions of the existing provincial government offices assigned to City District Government or Town Municipal Administration.

This is to be done by the City District Transition Team. Each existing provincial government department devolved to the City District Government or Town Municipal Administration is to be identified and Part I to IV of the statements shown in Annex I are to be prepared.



Step 3: City District Transition Team to request **each** city level⁴ Development Authority (such as Development Authority in Karachi, Lahore, Peshawar and Quetta, Karachi Building Control Authority, etc) Water and Sanitation Board/ Agency (KWSB, WASAs) to

- (a) prepare an Organisation Plan showing their operation at city district, town and union levels as vertically integrated entities; and
- (b) prepare draft Form CDG-7 for submission to the CDTT.



When deciding on functions and offices to be determined for the City District, Town and Union levels, the principle of subsidiarity should be used.

Step 4: The City District Government Transition Team to use the statements marked CDG for consolidating and preparing the structure of its departments.

Step 5: For each Town, the City District Government Transition Team would provide all statements pertaining to that particular ToMA to the Town Transition Team to enable further work and preparation of the ToMA Transition Reports.

"Basic Working Information" in the form of Statements (attached as Annex I) will need to be prepared. Each Statement is in four parts:

- ✓ I Officers and Staff
- ✓ II Assets
- ✓ III Payables
- ✓ IV Receivables

The same statement would be used for identifying functions (officers and staff, assets, payables and receivables) of different tiers of local government. The identification number for each tier of government would be prefixed as follows:

- ✓ City District Government CDG
- ✓ Town Municipal Administration ToMA
- ✓ Union Administration UA

The numbering for the devolved functions of the existing Local Governments and local governments would follow a set pattern. For example, in the case of education in the Karachi City District, the statements would be numbered as follows:

- ✓ for education department/function of KMC CDG/KMC/Education;
- ✓ for education department/function of DMC X CDG/DMC X/Education;
- ✓ for education department/function of District Council CDG/DC/Education;
- ✓ for education department of the provincial govt CDG/Provincial/Education

By adopting this system of numbering, it would be possible for the CDTT to collate all the Statements numbered CDG/...../Education for it to have a complete list of all the officers and staff, assets, payables and receivables pertaining to education.

B. City District Government Transition Report

Based on the statements marked CDG prepared in steps 1 and 2, the City District Government Transition Team shall fill in and prepare the forms for its various departments.

⁴ Landhi Development Authority and Malir Development Authority of Karachi are working in a specified territorial area of the City District and thus it is expected that most, if not all, of their present functions would be with the ToMA of the area. In the initial period and as provided by the LGO 2001, they will report directly to the DCO of the City District Government.

Step B.1: Prepare **Form CDG-1** for the City District Government showing the groups of departments and functions which have been devolved to the City District Government. This would be based on the grouping of offices/departments according to the LGO 2001.

Step B.2: Prepare **Organograms of the city district government and its departments.**

This would also show which of functions would be performed at the City, Town and Union Level.

When deciding on functions and offices to be determined for the City District, Town and Union levels, the principle of subsidiarity should be used

Step B.3: Prepare **Form CDG-2** showing the officers and staff of each city district government department.

This would be based on the officers and staff identified in part I of Statement "CDG"s prepared in Step 1 and 2⁵

Step B.4: Prepare **Form CDG-3** showing the officers and staff positions of the city district government remaining vacant.

Step B.5: Prepare **Form CDG-4** showing the assets of each city district government department.

This would be based on the assets identified in part II of Statement "CDG"s prepared in Step 1 and 2*.

Step B.6: Prepare **Form CDG-5** showing the liabilities and payables of each city district government department.

This would be based on the liabilities and payables identified in part III of Statement "CDG"s prepared in Step 1 and 2*.

Step B.7: Prepare **Form CDG-6** showing the receivables of each city district government department.

This would be based on the receivables identified in part IV of Statement "CDG"s prepared in Step 1 and 2*.

Step B.8: Finalise **Form CDG-7** for **each** City Development Authority (such as Development Authority in Karachi, Lahore, Peshawar and Quetta, Karachi Building Control Authority, etc) Water and Sanitation Board/ Agency (KWSB, WASAs) showing their operation at city district, town and union levels as vertically integrated entities.

Step B.9: Prepare City District Government One Time Transition Cost in **Form CDG-8** (details in statements CDG-8.1 to CDG-8.5).

C. Town Municipal Administration (ToMA) Transition Reports, for each town

Step C.1: Prepare **Form ToMA-1** showing the officers and staff of ToMA and its departments.

This would be based on the officers and staff identified in part I of Statement "ToMA"s prepared in Step 1 and 2*.

Step C.2: Prepare **Organograms of the Town Municipal Administration and its departments.**

Step C.3: Prepare **Form ToMA-2** showing the officers and staff positions of the ToMA remaining vacant.

Step C.4: Prepare **Form ToMA-3** showing the assets of ToMA and its departments.

This would be based on the assets identified in part II of Statement "ToMA"s prepared in Step 1 and 2*.

Step C-5: Prepare **Form ToMA-4** showing the liabilities and payables of ToMA and its departments.

This would be based on the liabilities and payables identified in part III of Statement "ToMA"s prepared in Step 1 and 2*.

Step C.6: Prepare **Form ToMA-5** showing the receivables of ToMA and its departments.

⁵ *These separate statements show the staff and officers of each devolved Provincial Government department, each existing District Council and each existing Metropolitan/Municipal Corporation of the city districts of Karachi, Lahore, Peshawar and Quetta. In Karachi the statements of existing District Municipal Corporation in Karachi would also be added.

This would be based on the receivables identified in part IV of Statement "ToMA"s prepared in Step 1 and 2.

Step C.7: Prepare City District Government One Time Transition Cost in **Form ToMA-6** (details in statements ToMA-6.1 to ToMA-6.5).

D. City District Transition Report

Step D: Prepare **Form** showing One time transition cost (Annex IV)

This would show the total one time cost of transition and would be a consolidation of

- Form CDG-8 (City District Government one time transition cost);
- Form ToMA-6 (ToMA One Time Transition Cost) for all the towns in the city district; and,
- One-Time Transition Cost Estimates for setting-up Union Administration in the area of the former ULCs and any other costs pertaining to the Union administrations in the rest of the City District.

5.2. Content and Format

The City District Transition Report will have four parts:

Part I: this will

- ✓ Present the one time transition cost of creating the City District Government, the ToMA/s and the Union Administration.

Part II: this will present the City District Government Transition Report and will:

- ✓ Present the overall conceptualisation of the City District Government (Organogram and Forms CDG-1 to CDG-6).
- ✓ Form CDG-7 (with organograms) for each city level Development Authority and Water and Sanitation Board/Agency showing their plans for working as vertically unified entities at city district, town and union levels.
- ✓ The one time transition cost of the City District Government (CDG-8).

Part III: this will be prepared for each Town Municipal Administration and will:

- ✓ Present the detailed organogram for each ToMA and its departments.
- ✓ Form ToMA -1 to ToMA-5.
- ✓ The one time transition cost of the Town Municipal Administration (ToMA-6).

Part IV: this will

- ✓ summarise the One-Time Transition Cost Estimates for setting up the Union Councils in the area of the former ULCs and any other costs pertaining to the Union Administrations in the rest of the City District on the pattern of Form ToMA-6.

ANNEX I

Statement for preparing "basic working information".

“Basic Working Information” in the form of Statements (attached as Annex I) will need to be prepared. Each statement is in four parts:

- ✓ I Officers and Staff
- ✓ II Assets
- ✓ III Payables
- ✓ IV Receivables

The same statement would be used for identifying functions (officers and staff, assets, payables and receivables) of different tiers of local government. The identification number for each tier of government would be prefixed as follows:

- ✓ City District Government CDG
- ✓ Town Municipal Administration ToMA
- ✓ Union Administration UA

The numbering for the devolved functions of the existing Local Governments and local governments would follow a set pattern. For example, in the case of education in the Karachi City District, the statements would be numbered as follows:

- ✓ for education department/function of KMC CDG/KMC/Education;
- ✓ for education department/function of DMC X CDG/DMC X/Education;
- ✓ for education department/function of District Council CDG/DC/Education;
- ✓ for education department of the provincial govt CDG/Provincial/Education

By adopting this system of numbering, it would be possible for the CDTT to collate all the Statements numbered CDG/...../Education for it to have a complete list of all the officers and staff, assets, payables and receivables pertaining to education.

LIABILITIES AND PAYABLES AS ON 30.06.2001 OF THE DEVOLVED DEPARTMENTS

NAME OF EXISTING (PROVINCIAL GOVERNMENT DEPARTMENT OR LOCAL GOVERNMENT') _____

NAME OF THE DEPARTMENT _____

Particulars	Amount
Electricity Bills Payable ²	_____
Telephone bills payable	_____
Other Utility bills payable	_____
Payable to Staff (salaries, medical bills, etc)	_____
Payable to contractors for work done (by contract)	_____
Other Liabilities (give detail of each)	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
TOTAL SHORT TERM LIABILITIES AND PAYABLES (A)	_____
LONG TERM LIABILITIES	
Long Term Loans - (principal amount)	_____
Long Term Loans (overdue interest)	_____
Others (give detail of each liability)	_____
_____	_____
_____	_____
_____	_____
TOTAL LONG TERM LIABILITIES (B)	_____
TOTAL LIABILITIES AND PAYABLES (A+B)	Rs. _____

¹ Cross out one either provincial government or local government as applicable.

² Provide details for offices and facilities (such as water supply schemes etc) as well as official residences)

ANNEX II

FORMS TO BE FILLED FOR THE CITY DISTRICT GOVERNMENT TRANSITION REPORT

DETAIL OF GROUP OF OFFICES OF THE CITY DISTRICT GOVERNMENT:

(to be prepared in line with the list of functions devolved to the district government from the provincial government under LGO 2001)

Sr. No.	Group		Office at City Level	Office at Town Level	Office at Union level	Other (e.g. an office providing services to 2 or 3 towns)	Criteria Used
Part C	Group	Function					
i)	District Coordination	<ul style="list-style-type: none"> ▪ Coordination ▪ Human Resource Management ▪ Civil Defence 					
ii)	Agriculture	<ul style="list-style-type: none"> ▪ Agriculture (Extension) ▪ Livestock ▪ On Farm Water Management ▪ Soil Conservation ▪ Soil Fertility ▪ Fisheries ▪ Forests 					
iii)	Community Development	<ul style="list-style-type: none"> ▪ Community Organization ▪ Labour ▪ Social Welfare ▪ Sports and Culture ▪ Cooperatives ▪ Registration Office 					
iv)	Education	<ul style="list-style-type: none"> ▪ Boys Schools ▪ Girls Schools ▪ Technical Education ▪ Colleges (other than professional) ▪ Sports (education) ▪ Special education 					

Sr. No.	Group		Office at City Level	Office at Town Level	Office at Union level	Other (e.g. an office providing services to 2 or 3 towns)	Criteria Used
v)	Finance and Planning	<ul style="list-style-type: none"> ▪ Finance and budget ▪ Planning and Development ▪ Accounts ▪ Enterprise and Investment Promotion 					
vi)	Health	<ul style="list-style-type: none"> ▪ Public Health ▪ Basic and Rural Health ▪ Child and Women Health ▪ Population Welfare ▪ District & Tehsil (Head Quarters) hospitals 					
vii)	Information Technology	<ul style="list-style-type: none"> ▪ Information Technology Development ▪ Information Technology Promotion ▪ Database 					
viii)	Law	<ul style="list-style-type: none"> ▪ Legal Advice and Drafting ▪ Environment 					
ix)	Literacy	<ul style="list-style-type: none"> ▪ Literacy Campaigns ▪ Continuing Education ▪ Vocational Education 					
x)	Magistracy	<ul style="list-style-type: none"> ▪ <i>excluding trial functions</i> 					
xi)	Revenue	<ul style="list-style-type: none"> ▪ Land Revenue ▪ Estate ▪ Excise and Taxation 					
xii)	Works and Services	<ul style="list-style-type: none"> ▪ Spatial Planning and Development ▪ District Roads and Buildings 					

Sr. No.	Group		Office at City Level	Office at Town Level	Office at Union level	Other (e.g. an office providing services to 2 or 3 towns)	Criteria Used
		<ul style="list-style-type: none"> ▪ Energy and Transport 					
Part D							
xiii)	Public Transport	<ul style="list-style-type: none"> ▪ Public Transportation and mass transit ▪ Passenger and freight transit terminals ▪ Traffic Planning, Engineering ▪ Parking 					
xiv)	Enterprise and Investment Promotion	<ul style="list-style-type: none"> ▪ Industrial estates and technology parks ▪ Cottage, small and medium sized enterprise promotion ▪ Investment promotion and protection 					
xv)		<ul style="list-style-type: none"> ▪ Integrated macro level services according to clause iii of Part D of Schedule I of the LGO 2001 					

**LIABILITIES AND PAYABLES ON 30.06.2001 OF THE EXISTING LOCAL GOVERNMENTS (OR PROVINCIAL GOVERNMENT DEPARTMENTS) PERFORMING
THE DEVOLVED FUNCTIONS OF THE CITY DISTRICT GOVERNMENT**

CITY DISTRICT _____ DATE _____

Particulars	Amount	Existing Organization	REMARKS
Electricity Bills Payable ¹			
Telephone bills payable			
Other Utility bills payable			
Salaries payable to Staff			
Staff medical bills payable			
Payable to contractors for work done (by contract)			
TOTAL SHORT TERM LIABILITIES AND PAYABLES			
Long Term Loans (show each loan separately)			
Long Term Loans - (principal amount)			
Long Term Loans (overdue interest)			
TOTAL LONG TERM LIABILITIES			
TOTAL LIABILITIES AND PAYABLES			

Use additional pages as required

¹ List separately for offices and facilities as well as official residences

CITY DISTRICT GOVERNMENT TRANSITION REPORT

AMOUNTS RECEIVABLE ON 30.6.2001²

CITY DISTRICT _____ DATE _____

Particulars	Amount	Existing Organization	REMARKS
Arrears of water charges receivable			
Arrears of conservancy charges			
Staff Advances			
Other Receivables (give detail of each including date from which the amount is outstanding)			
TOTAL RECEIVABLES			

Use additional pages as required

² Amounts receivable of the existing Local Government or Provincial Government Departments performing the devolved functions of the City District Government.

CITY DISTRICT GOVERNMENT TRANSITION REPORT

FORM FOR CITY LEVEL DEVELOPMENT AUTHORITIES¹ AND WATER AND SEWERAGE BOARD / SANITATION AGENCIES²

FUNCTION	City District			Town			Union		
	Macro Planning	Capital Works & Development	Operations & Maintenance	Macro Planning	Capital Works & Development	Operations & Maintenance	Macro Planning	Capital Works & Development	Operations & Maintenance
e.g. Water									
Strategic Planning									
Source Development									
Raw water conveyance									
Treatment									
Storage									
Bulk treated water conveyance									
Bulk Supply									
Water Supply Network Lane Secondary Trunk									
Billing									
Collection									
Non-reticulated distribution									
Licensing and Control of private water sources									

¹ Such as KDA, QDA, LDA, PDA, KBCA, etc

² Such as KWSB, WASAs

**CITY DISTRICT GOVERNMENT TRANSITION REPORT
ONE TIME TRANSITION COST ESTIMATES**

SUMMARY

CITY DISTRICT _____ Date _____

<u>Particulars</u>	<u>Amount</u>	<u>Detailed Statements</u>
City District Government Transition Cost		
1. Relocation of Staff	_____	Statement CDG-8.1
2. Relocation of Assets	_____	Statement CDG-8.2
3. Repair of Buildings	_____	Statement CDG-8.3
4. Purchase of Assets	_____	Statement CDG-8.4
5. Any Other One Time Cost	_____	Statement CDG-8.5
 TOTAL ONE TIME COST	 Rs. _____	

ANNEX III

FORMS TO BE FILLED FOR THE TOWN MUNICIPAL ADMINISTRATION TRANSITION REPORT

LIABILITIES AND PAYABLES ON 30.06.2001 OF THE EXISTING LOCAL GOVERNMENTS (OR PROVINCIAL GOVERNMENT DEPARTMENTS) PERFORMING THE DEVOLVED FUNCTIONS OF THE TOWN MUNICIPAL ADMINISTRATION

CITY DISTRICT _____ TOWN _____ DATE _____

Particulars	Amount	Existing Organization	REMARKS
Electricity Bills Payable ¹			
Telephone bills payable			
Other Utility bills payable			
Salaries payable to Staff			
Staff medical bills payable			
Payable to contractors for work done (by contract)			
TOTAL SHORT TERM LIABILITIES AND PAYABLES			
Long Term Loans (show each loan separately)			
Long Term Loans - (principal amount)			
Long Term Loans (overdue interest)			
TOTAL LONG TERM LIABILITIES			
TOTAL LIABILITIES AND PAYABLES			

Use additional pages as required

¹ List separately for offices and facilities as well as official residences

TOWN MUNICIPAL ADMINISTRATION TRANSITION REPORT

AMOUNTS RECEIVABLE ON 30.6.2001

CITY DISTRICT _____ TOWN _____ DATE _____

Particulars	Amount	Existing Organization	REMARKS
Arrears of water charges receivable			
Arrears of conservancy charges			
Staff Advances			
Other Receivables (give detail of each including date from which the amount is outstanding)			
TOTAL RECEIVABLES			

Use additional pages as required

TOWN MUNICIPAL ADMINISTRATION TRANSITION REPORT

ONE TIME TRANSITION COST ESTIMATES

SUMMARY

CITY DISTRICT _____ TOWN _____ Date _____

<u>Particulars</u>	<u>Amount</u>	<u>Detailed Statements</u>
Town Municipal Administration Transition Cost		
1. Relocation of Staff	_____	Statement ToMA-6.1
2. Relocation of Assets	_____	Statement ToMA-6.2
3. Repair of Buildings	_____	Statement ToMA-6.3
4. Purchase of Assets	_____	Statement ToMA-6.4
5. Any Other One Time Cost	_____	Statement ToMA-6.5
 TOTAL ONE TIME COST	 Rs. _____	

ANNEX IV

ONE TIME TRANSITION COST ESTIMATE

ANNEX-V
Managing Transition
[Chapter XVIII of the LGO – 2001
(30th June, 2001 Version)]

MANAGING TRANSITION

180. Succession of the properties, assets and liabilities.- Subject to section 123, on commencement of this Ordinance, the properties, assets and liabilities of the Local Councils, namely, Metropolitan Corporations, Municipal Corporations, District Councils, Municipal Committees, Town Committees, Union Councils under the SBNP Local Government Ordinance, 1979 (of 1979), shall be succeeded by the following local governments under this Ordinance: -

- (a) City District Government in the case of Metropolitan Corporation or Municipal Corporation in the concerned City District, as the case may be;
- (b) District Government in the case of District Council;
- (c) Tehsil Municipal Administration in the case of Municipal Corporations, Municipal Committees and Town Committees in the tehsil, as the case may be; and
- (a) Union Administration in the case of Union Councils:

Provided that the liabilities of the predecessor local governments shall be discharged in accordance with the existing arrangements:

Provided further that the discharge of liabilities of the decentralised offices shall remain with the Government.

181. First Nazims and Councils.- (1) The first local governments under this Ordinance shall be established on the 14th day of August, 2001.

(2) The Zila Nazims shall assume the office of the head of respective District Governments under this Ordinance on the 14th day of August, 2001, and the Government shall issue notification of the assumption of their office.

(3) The Tehsil Nazims and Town Nazims shall assume the office of the head of Tehsil Municipal Administration and Town Municipal Administration, as the case may be, under this Ordinance on the 14th day of August, 2001, and the Government shall issue notification of the assumption of their offices.

(4) The Union Nazims shall assume the office of the head of the Union Administration under this Ordinance on the 14th day of August, 2001, and the Government shall issue notification of the assumption of their offices.

(5) The Government shall make arrangements of accommodation for the offices of the local governments and, as far as possible, for that purpose the existing infrastructure shall be utilized.

182. Administrative Transition.- (1) On coming into force of this Ordinance, any office, authority or municipal body set up or controlled by the Government shall continue providing services without any interruption during the decentralization process or its entrustment to any local government under this Ordinance.

(2) All functionaries of the Metropolitan Corporations, Municipal Corporations, Zila Councils, Municipal Committees, Town Committees and Union Councils set up under the SBNP Local Government Ordinance, 1979 (of 1979), shall continue to perform their respective duties and responsibilities with the successor local government under this Ordinance, until transferred to any other local government.

(3) Subject to the provisions of sub-sections (1) and (2), the control of the development authorities, water and sanitation agencies and solid waste management bodies shall vest in the following local governments:-

Authority/Agency	Local Government
(a) Development Authorities, * Water and Sanitation Agencies or Boards, and Solid Waste Management Bodies;	City District Government
(b) Development Authorities	District Government
(c) Water and Sanitation Agencies /Boards and Solid Waste and Management Bodies.	District Government

(4) The Government shall commence closing down the operations of divisional offices and, where applicable, regional, circle and zonal offices on coming into force this Ordinance, provided that such offices shall cease to function on 31st day of December, 2001.

(5) The Government shall, on the commencement of this Ordinance, decentralise administrative, financial and appellate powers of the divisional, regional and zonal officers to the Deputy District Officers, District Officers, Executive District Officers and District Coordination Officers, as the case may be.

(6) The District Governments shall appropriately re-organize the authorities, agencies and bodies referred to in sub-section (3) and decentralise such authorities, agencies and bodies to the Tehsil Municipal Administration or, as the case may be, Town Municipal Administration in accordance with section 52.

183. Employees salaries not to be reduced on transfer, etc.- (1) On allocation, re-allocation or transfer of the employees of the Government, Metropolitan, Corporations, Municipal Corporations, District Councils, Municipal Committees, Town Committees and Union Councils or any other authority, agency or body to any local government established under this Ordinance, the salaries, emoluments and pensions of such employees shall not be reduced on such allocation, re-allocation or transfer.

(2) The Government shall ensure the payment of salaries, emoluments and pensions of the employees referred to in sub-section (1), including the employees of the Local Council Service and the servants of Local Councils set up under the Local Government Ordinance, 1979 (of 1979) during the financial year 2001-2002 or till such time as Government may deem appropriate.

184. Bar on recruitments.- (1) During the transition period specified in section 187 and till the adjustment for optimal utilization of all employees of the Government, Local Council Service and Servants of Local Councils, no fresh recruitment shall be

* The respective Governments may use the titles of these Departments specified in their Rules of Business.

made to fill any vacancy in the local governments set up under this Ordinance, except with the express sanction of the Government;

(2) The Government shall make available the services of the employees placed in its surplus pool for utilization in the offices decentralised to the District Government, Tehsil Municipal Administration, Town Municipal Administration and Union Administration.

(3) The local governments shall utilize the services of the employees of the Local Councils set up under the repealed SBNP Local Government Ordinance, 1979 (of 1979) for meeting the shortfall in the offices of the Zila Councils, Zila Nazims, Tehsil Councils, Tehsil Municipal Administrations, Town Councils, Town Municipal Administrations, Tehsil Nazims, Town Nazims and Union Administrations.

185. Financial transition.- (1) All taxes, cess, fees, rates, rents, tolls and charges which were being charged, levied and collected by any office of the Government, development authority, water and sanitation agency, board or solid waste management body or any Local Council, shall continue to be charged, levied and collected under this Ordinance by the successor local governments and every person liable to pay such taxes, cess, fees, rates, rents, tolls, charges and accumulated arrears and receivables shall continue to make payment thereof until revised, withdrawn or varied under this Ordinance.

(2) Where any Local Council established under the repealed Local Government Ordinance, 1979 (of 1979), was receiving any grant or any compensation in lieu of octroi, toll tax, export tax, or any other tax, the successor local government under this Ordinance shall continue to receive such grant or compensation.

186. Electoral Transition.- (1) Notwithstanding anything contained herein before, the first Zila Councils, Tehsil Councils, Town Councils and Union Councils constituted under this Ordinance shall be deemed to be validly constituted if sixty percent seats thereof are filled in the elections held under the SBNP Local Government Elections Ordinance, 2000 (of 2000).

(2) *In any local area in which this Ordinance is in force but a relevant local government is not validly constituted due to a natural calamity or conditions beyond human control, the Government, may empower any person or persons to perform all or any of the functions of that local government under this Ordinance till the elected government assumes the charge of the office.*

187. Transitional timeframe.- All actions required for giving effect to the provisions of this Ordinance and transition to the local government systems set up thereunder shall be completed by the 30th day of June, 2002.

ANNEX-VI
Groups of Offices [Part C & Part D of First
Schedule of LGO – 2001 (30th June, 2001 Version)]

PART-C

Groups of Offices

(i) District Coordination: Coordination, Human Resource Management and Civil Defence.

(ii) Agriculture: Agriculture (Extension), Livestock, Farm Water Management, Soil Conservation, Soil Fertility, Fisheries, and Forests.

(iii) Community Development: Community Organization, Labour, Social Welfare, Sports and Culture, Cooperatives, and Registration office.

(iv) Education: Boys Schools, Girls Schools, Technical Education, Colleges, (other than professional) Sports (Education) and Special Education.

(v) Finance and Planning: Finance & Budget, Planning & Development, Accounts, Enterprise and Investment Promotion.

(vi) Health: Public Health, Basic & Rural Health, Child & Woman Health, Population Welfare, District and Tehsil (Hqrs.) hospitals.

(vii) Information Technology: Information Technology Development, Information Technology Promotion, and Database.

(viii) Law: Legal advice and drafting, and * Environment.

(ix) Literacy: Literacy Campaigns, Continuing Education, and Vocational Education.

(x) Executive Magistracy (excluding for trial functions)

(xi) Revenue: Land Revenue & Estate and Excise and Taxation.

(xiii) Works and Services: ** Spatial Planning and Development, District Roads and Buildings, Energy and Transport.

* Provinces may relocate this office but it will not be a separate district department.

** The Housing and Physical Planning / Town Planning Department shall be decentralised to the Tehsil Municipal Administration but an appropriate nucleus staff may be retained for intra-district coordination of tehsil level plans.

PART D

GROUP OF OFFICES

Group of Offices	Functions
(i) Public Transport	Public transportation and mass transit Passenger and freight transit terminals Traffic planning, engineering and parking
(ii) Enterprise and Investment Promotion	Industrial estates and technological parks Cottage, small and medium sized enterprise promotion Investment promotion and protection
(iii) Depending upon the economies of scale and nature of infrastructure the City District Government may vary grouping of offices contained in Part-C and set up district municipal offices for integrated development and management of the following services:	a. Water source development and management, storage, treatment plants, and macro-distribution. b. Sewage tertiary and secondary network, treatment plants, and disposal. c. Storm water drainage network and disposal. d. Flood control protection and rapid response contingency plans. e. Natural disaster and civil defence planning. f. Solid waste management, treatment and disposal, including land fill cities and recycling plants. g. Industrial and hospital hazardous and toxic waste treatment and disposal. h. Environmental control, including control of air, water, and soil pollution in accordance with federal and provincial laws and standards. i. Master planning, land use, zoning and classification, reclassification. j. Urban design and urban renewal programme; promulgation of building rules and planning standards. k. Parks, forests, play grounds, sporting, and other recreational facilities. l. Museums, art galleries, libraries, community and cultural centres. m. Conservation of historical and cultural assets n. Landscape, monuments, and municipal ornamentation. o. Urban and housing development, including urban improvement and upgrading, and urban renewal and redevelopment, with care being taken to preserve historical and cultural monuments. p. Regional markets and city-wide commercial centres.