

Redesigning Service Delivery: A landscape study of operating models in urban local bodies

The Sattva team worked on the model of redesigning service delivery through Municipal Shared Services (MSS) models. This entailed conducting a landscape study of the existing operating models in urban local bodies, preparing operational guidelines for the implementation of a few selected shared service models and conducting feasibility studies.

MSS refers to the sharing of resources, including infrastructure, technological platforms and skilled/unskilled workforce between two or more local bodies. Several global research studies have demonstrated the advantages of MSS in terms of cost optimization and improvement in service delivery. The 15th Finance Commission has recommended the adoption of MSS in states across India and has sanctioned INR 450 crores towards this initiative.

The Ministry of Housing and Urban Affairs (MoHUA) is conducting pilots for the implementation of MSS in a few cities. The operational guidelines prepared by the Sattva team will eventually be incorporated into the national guidelines on MSS prepared by MoHUA, leading to a larger scale of impact.

MSS is an unexplored domain in India. Under this project, we are excited to be able to solve the capacity and service delivery issues plaguing our Urban Local Bodies (ULBs). We visited a faecal sludge treatment plant (FSTP) near the town of Cuttack to understand the potential for infrastructure-sharing between rural and urban local bodies. The plant is fully run by members of the transgender community who are also part of a Self Help Group (SHG).



The transgender community had been rendered unemployed by the pandemic. Since they already belonged to a marginalised section of the society, the crisis plaguing their livelihood would have exacerbated further had it not been for the plant providing them with dignified employment and guaranteed monthly income. The community members also mentioned that having their basic needs taken care of meant that they had the time and the energy to be involved in advocacy for LGBTQ+ issues - a topic dear to their heart.



The field visits helped us understand how MSS could be a good short to medium term solution for the ills that plague the local bodies. Sharing knowledge between local bodies is a common phenomenon in countries across Europe and in the US and Canada. Local governments in other countries have also experimented with inter-municipal cooperation. Research shows that more often than not, such cooperation leads to either cost savings or improvement in the quality of services delivered or both. This project can greatly help us when it comes to making operational guidelines for piloting various forms of shared services in ULBs, thus having the possibility of playing an important role when it comes to scaling good service delivery through MSS.