

Sixteenth Loksabha

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Title: Regarding release of basic and performance grant amount to urban local bodies in Tamil Nadu.

SHRI S.R. VIJAYA KUMAR (CHENNAI CENTRAL): The 14th Finance commission had allocated an amount of Rs. 1263.96 crore as the Basic Grant and Rs. 365.37 crore as the Performance Grant for the year 2017-18 to the Urban Local Bodies in Tamil Nadu, The Union Government has released a sum of Rs. 631.98 crore as the first instalment of Basic Grant for the year 2017-18 to the Urban Local Bodies. While releasing the 1st instalment, The Union Government has directed Tamil Nadu Government to pursue the court case regarding the Local Bodies Election and appraise the Union Finance Ministry before the 2nd Instalment is considered for release.

Out of the earmarked Rs.1462.18 crore Basic Grant and Rs. 414.92 crore Performance Grant to Urban Local Bodies for 2018-19, Rs. 731.09 crore has to be released in June.

The entire 1st Instalment grant for 2017-18 have been released to Urban Local Bodies for providing basic amenities such as water supply, sanitation, waste management, street lights etc., and Utilization Bills and Utilization Certificate has been duly submitted to the Union Government. At the moment all Urban Local Bodies are in dire need of funds to carry out their day to day affairs to provide citizens basic amenities.

The elections to the Local bodies in Tamil Nadu have been delayed due to various litigations and delimitation issues. Citing this as the reason, the Union Government had not released the 2nd Instalment of Basic Grant and Performance Grant for the year 2017-18 and 1st Instalment of basic Grant for 2018-19 to Urban Local Bodies in Tamil Nadu. The 14th Finance Commission has not indicated that the funds should be released only if elections to urban local bodies are held and an elected body is in place.

Therefore, I urge the Government to release immediately the 2nd Instalment of Basic Grant and Performance Grant for the year 2017-18 and 1st Instalment of basic Grant for 2018-19 to Urban Local Bodies in Tamil Nadu.