

BRIHANMUMBAI MUNICIPAL CORPORATION

No. MGC/F / 6862 dtd.02.08.2022

CIRCULAR

Sub.: Policy for providing consultancy services to the ULBs and departments of Brihanmumbai Municipal Corporation (BMC) by MCMCR.

BMC is a premier ULB in the country. In order to share the knowledge, technologies and resources of BMC with other ULBs, BMC has established 'MCGM Centre for Municipal Capacity Building and Research' (MCMCR). As per the Registered Memorandum of Association of MCMCR, the objectives of MCMCR are capacity building of employees of the ULB's in Maharashtra, providing consultancy services to them as per their requirements & undertaking practical research on various problems faced by the ULBs. The resources for achieving these objectives are retired BMC professionals, in-service BMC professionals, professionals from the academic institutes, private individual professionals and private professional firms.

The AMC(P), AMC(ES), AMC(WS), AMC(City) are members and Municipal Commissioner, BMC is the President of the Board of Governors of MCMCR. The second meeting of Board of Governors of MCMCR was convened on 17.01.2020. In this meeting, it was resolved to establish an "Urban Management Consultancy Services Cell" by MCMCR for providing consultancy services to BMC & other ULBs. Accordingly, MCMCR made various efforts to identify the professionals willing to work as a consultant.

As per the directives of the Board of Governors, MCMCR, a meeting of all the HoDs of engineering departments of BMC was held under the Chairmanship of Director (E.S. & P.) on 28.01.2020 to identify experienced retired professionals of BMC of the respective departments capable of undertaking consultancy services. Director, MCMCR published an advertisement on 29.02.2020 in reputed newspapers inviting expression of interest (EOI) from retired professionals of Government/ Semi Government organizations for working as consultant with MCMCR. Further, an interactive session of retired BMC professionals was arranged by MCMCR on 13.10.2021 to seek their willingness for working as consultant with MCMCR.

Hon. Standing Committee Chairman Shri. Yashwant Jadhav, in the Corporation's budget meeting held on 04.03.2021 suggested that BMC shall establish a consultancy cell of knowledgeable, experienced & competent retired professionals to provide consultancy services for BMC projects. Similar suggestions are given by corporator Smt. Pradnya T. Bhutkar vide Notice of resolution dated 09.03.2021. Councilor Shri Datta Pongde, vide notice in corporation dated 13.07.21 has proposed that the consultancy works for projects in BMC be got done through its own experienced Officers instead of appointing external consultants.

Considering above-mentioned facts, a policy is prepared for providing consultancy services to the ULBs and BMC departments by MCMCR and is attached as 'Annexure - A'. All the departments of BMC shall communicate their consultancy requirements to MCMCR and shall adopt the Consultancy Policy prepared for hiring consultancy services.

Sd/-
(Dr. I. S. Chahal)
Municipal Commissioner

No. Ch.E./2065 / CTI&RC dtd. 12 1 SEP 2022

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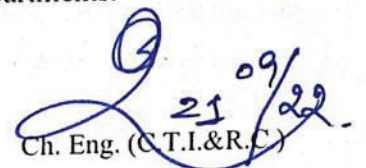
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Forwarded for information and necessary action by the concerned departments.

Encl. : Annexure - A


Ch. Eng. (C.T.I.&R.C.)

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Annexure – A

Policy for providing consultancy services to the ULBs and departments of Brihanmumbai Municipal Corporation (BMC) by MCMCR

A. Basic Concept for the Policy:

1. Since BMC is undertaking a wide range of works/ activities in Engineering, Architecture, Health, Fire, Disaster Management, Assessment (Property) Tax, I.T, Education, Garden & Zoo departments, etc., the services from a vast pool of Professionals available as retired/ in-service Engineers, Architects, Doctors, Administrators, Accountants, Fire Dept Officers etc. can be availed for the consultancy works at MCMCR.
2. The prime function of MCMCR is to share BMC's knowledge with ULBs. The BMC professionals through their long years of working in the corporation have developed in-depth understanding of ULB issues and technical challenges. They are, therefore, eminently equipped to advise ULBs through consultancies. Hence staff of BMC may generally be preferred. However, wherever BMC professionals are found wanting in experience of consultancy work such as specialized technological subjects not dealt with by BMC professionals, consultants with requisite competence from the market would be drawn.
3. There are few consultancy assignments which require individual expert input, like various design assignments, proof checking, etc. However, many consultancy assignments require collective inputs from the different field experts. For e.g., consultancy services for design and construction of sewage pumping station requires input from civil engineering expert for design and construction of the civil structure, mechanical engineering expert for selection of pumps and all other mechanical equipment, electrical engineering expert for design and installation of electrical panel, motor etc., electronics engineering expert for SCADA and automation part. Similarly, an example of consultancy proposal for preparation of Development Plan can be taken in which expertise from GIS, Drone and DGPS survey, Total Station survey, Town Planning, Regulations, etc. are required. To undertake such type of consultancy works, there shall be a team of experts headed by a Team Leader, who is having overall knowledge and experience of the work to be undertaken. To undertake the consultancy assignment, the Team Leader shall build his work team from professionals in the market/ or retired BMC professionals having requisite knowledge & experience of the desired consultancy work along with external academic

experts, private individual professionals & specialized external agencies as required. Whenever there is shortage of BMC expertise, external consultant in such cases would be drawn.

4. BMC, many times utilizes consultancy services of IIT/ ICT/ VJTI for various project works in different departments. These institutions undertake regular consultancy assignments of various government, public sector as well as private industries. Hence, the information about policy and procedure of undertaking consultancy services from IIT Bombay, Institute of Chemical Technology (ICT) and VJTI was gathered by contacting professors in these institutions. As per the information received, professors working in the institute are allowed to undertake the consultancies in their field of expertise by virtue of their academic qualification and research experience.

The Procedure adopted for Consultancy Services by the Academic Institutions is as under:

The consultancy proposals are either received by the professors directly or by the Dean of the institution, from the organizations. If received by the Dean, same is forwarded to the professor having expertise in the subject field. This professor communicates with the organization and further deal with the consultancy work. The professor appoints research assistant/ projects staff/ external agency needed for the consultancy work to be undertaken. The scope of the work and the fees for the consultancy services are finalized by the concerned professor with the consultancy awarding organization. The professor is responsible for execution and completion of the consultancy work as per the terms and conditions accepted by him. Since the consultancy assignments are of intellectual nature, the institution receives 25% to 33% (depending on the institution) share of consultancy fees for facilitating the consultancy work. The scope of the institution involves providing office space, use of laboratories, equipment, appointment of research assistant, appointment of external agencies, etc.

5. In a similar manner, it should be possible for MCMCR to provide consultancy services to the ULBs including departments of the BMC. As urbanization proceeds and there is more co-operation between private industries and urban local bodies, consultancy services could even be extended to industries whenever such assistance is sought. These could be in the area where MCMCR/ BMC have core competence, such as water/ wastewater treatment, environment, environment pollution, fire services and others. Since MCMCR is primarily charged with the responsibility of working for ULBs, it would be remembered at all times that ULBs are MCMCR's principal clients, and the others are secondary.

6. It is envisaged to utilize expertise of working and retired BMC professionals for providing consultancy services. There are chances that even though in-service & retired BMC employees have qualifications & experience for undertaking consultancy assignments, all of them may not have requisite professional experience/ capabilities to undertake particular consultancy assignments. As such, resources of BMC in terms of in-service & ret'd. BMC professionals may not be adequate for undertaking all types of consultancy assignments needed by the ULBs. In such a scenario, MCMCR will not be able to respond to all the consultancy requests received from the ULBs and BMC departments. Further, there are certain specialized fields where BMC professionals do not have exposure and expertise for undertaking such consultancy assignments. Hence, in order to undertake any type of consultancy assignment, that the ULBs and BMC departments refers to MCMCR, it would be essential to utilize external resources in addition to BMC resources like expertise from ULBs, State & Central Government, private individual professionals and private professional firms.
7. The basic conception behind preparation of the policy is:
- *The institute shall facilitate the process of providing consultancy services to ULBs/ BMC departments by understanding their consultancy needs and providing them the services through various resources available.*
 - *The consultancy services are to be taken up on the basis of personal competencies of the professional undertaking the consultancy work.*
 - *The professionals undertaking the consultancy work are expert in the field and their consultancy services shall be remunerated reasonably.*

It is essential to deliberate the following aspects for establishing the policy.

- Categorization of consultancy work.
- Selection and recommendation of consultant for consultancy assignments.
- Consultancy fees.
- Role of the MCMCR institution.
- Role and responsibilities of the Consultant.
- Role of BMC.

B. Elements of the Consultancy Policy:

1. Categorization of consultancy work and consultant database:

There are various types of works executed in the ULBs and different departments of BMC for which consultancy services are availed. On the basis of enquiries from ULBs and with the help of HoDs in BMC, the works where consultancy services are hired and also the resources capable of undertaking the consultancy work will be identified. Based on the qualifications, experiences & capabilities of the retired and in-service BMC professionals, the list of such professionals along with their fields of expertise will be prepared. This database will be periodically updated and will be referred for recommending them as a consultant to the ULBs/ BMC departments for a particular consultancy assignment.

The consultancy works shall be classified based on the expertise and input level required. This will help to understand the requirement of inputs for these consultancy works from retired BMC professionals, in-service BMC professionals, professionals from the academic institutes, expertise from ULBs, State & Central Government, private individual professional, private professional firms. The works requiring individual input and collective inputs can also be identified separately. Critical and large-scale projects may be taken up at later stage.

2. Selection and recommendation of the consultant for consultancy assignments:

As observed in IIT, ICT & VJTI the professors working in these institutes are considered eligible for undertaking consultancy work by virtue of their position, academic qualification and research experience. However, BMC professionals cannot be conferred with such prerogative by virtue of their designation, qualification or years of experience in the department. The major difference in the professors working in above mentioned Institutions and professionals working in BMC is that the professor in these Institutions continuously works in same field with regular updating of knowledge by research, whereas BMC professionals gets transferred periodically. Still there are BMC professionals who have acquired higher academic qualifications as well as have gained expertise in their field of work. Therefore, it is necessary to ensure explicit experience of the consultancy work to be undertaken and capabilities to handle the project by the selected professional or group of professionals. This can only be assured after having details of the consultancy assignment vis-a-vis qualification and experience of the professional opting for the consultancy work. The retired BMC professional may involve capable in-service BMC professionals in the consultancy assignment to be undertaken.

The consultant for MCMCR can be retired BMC professional/ in-service BMC professional/ expertise from ULBs, State & Central Government/ private individual professional/ private professional firm. The consultant can be a professional in capacity of Team Leader with involvement of other professionals, academic experts, external agencies. Since MCMCR's consultant would be out of any one of these categories, hereafter they will be referred as 'Consultant' in this Policy. Only in case of consultancy services to be provided to BMC, the in-service BMC Professional will be excluded from this term 'Consultant'.

The procedure for selection and recommendation of Consultant to the ULBs/ BMC departments is proposed as under:

- The selection of the Consultants will be done by MCMCR from the available database and recommendations of the concern department.
- MCMCR shall call for consultancy proposals for particular consultancy assignment from selected Consultants and scrutinize the proposals received with respect to the scope and requirements of the work.
- The name of competent Consultant will be recommended to the ULBs/ HoDs of BMC for undertaking the consultancies for the particular work.
- In case of more than one application is received, the most suitable Consultant will be recommended. A committee may be constituted involving retired/ working senior professional in the field and Director, MCMCR for recommending the names to the ULBs/ HoDs of BMC.
- While selection and recommendation of the Consultant, weightage shall be given to their technical competency, similar experience, availability for the project duration and capability to undertake consultancy assignment.
- The limit for assigning the maximum number of consultancy assignments to a particular Consultant at a time will be decided by MCMCR, considering the demand of consultancy assignments and availability of resources for the same.
- The MCMCR shall recommend the Consultant to the ULBs/ HoDs of BMC departments for all further correspondence.
- The Consultant shall communicate with the ULBs/ HoDs of BMC departments and shall finalize the scope of work, consultancy fees, terms and conditions of the work, etc. and intimate MCMCR for approval with all the details.

- The MCMCR shall then submit the proposal of Consultant to the ULBs/ HoDs of BMC departments.
- On acceptance of the proposal by the ULB/ BMC department, the Consultant shall sign the tri-party agreement with the concerned ULB / BMC department and MCMCR.
- After award of the consultancy work by the concerned ULB/ BMC Dept., the Consultant will execute the work independently, which will be reviewed periodically by the MCMCR.

3. Consultancy Fees and its sharing:

From the ongoing consultancy works in the different departments of BMC, it is observed that normally the consultancy charges for design category work are around 2% and for project management consultancy (PMC) work are around 3% of the estimated project cost. These percentages may vary as per the scope and scale of the project. Also, there are lumpsum consultancy fees structures for small scale works and design vetting activities.

- Similar to the prevailing practices in IIT, ICT & VJTI the MCMCR shall have stake of 20% in the consultancy fees for intellectual consultancies for facilitating consultancy services by selection of professionals, providing office space, admin services, BMC data as available, etc.
- However, it is expected that in addition to pure intellectual consultancies, MCMCR has to deal with the consultancy assignments which will be having contractual work component, involvement of external agencies/ expertise, etc. Hence in such cases to make the offers competitive, the share of MCMCR is proposed as per the following table.

Sr. No.	% Expenditure on External Agencies on Total Project Cost	% Share of MCMCR on Total Project Cost	% of Total Project Cost in which Team Leader has to complete entire work
	A	B	C
1	up to 20%	20%	C = 100% – B
2	20% to 40%	15%	
3	40% to 60%	10%	
4	60% to 80%	5%	

- a) All the consultancy fees due for the project shall be received by MCMCR and shall be later transferred to beneficiary accounts as per the terms and conditions finalized with Consultant.

- b) Whenever in-service BMC Professionals are working exclusively on consultancy services provided to the ULBs, then amount equal to their salaries shall be repaid to the BMC by MCMCR from the fee's receivable from ULBs.

4. Role of the MCMCR:

MCMCR shall perform following activities for undertaking consultancy assignments:

- a. Identification and Classification of consultancy subjects for the ULBs and BMC department in consultation with HoDs.
- b. Selection and recommendation of the Consultant for the consultancy assignment by scrutinizing the proposals.
- c. Appointing qualified, experienced & capable Consultant for undertaking consultancy assignments from the ULBs/ BMC departments.
- d. Engaging other government/ private professional institutes/ external agencies in the consultancy assignments as per the requirement of the work & request by the Consultant.
- e. Making available BMC related data required for the consultancy work to the Consultant, (e.g. reports, draft tender, master plans etc.) as per the availability.
- f. Providing space for office activities, meetings, presentation etc. to the Consultant and department representatives.
- g. Making available library/ laboratory facilities to the Consultant, as per the availability.
- h. Review of the submission/ recommendations of the consultants through Peer Review process for quality control and improvement, if required.
- i. Periodic review of the consultancy work.
- j. Intervention and correspondence with the ULB / BMC department in case of any major delay or variation in the contracts.
- k. To take appropriate action against the non-performing/ unsatisfactory performance of the Consultant, including termination.
- l. Approve replacement of Professional/ agency in case of any unavoidable conditions.
- m. The payments shall be transferred to the Consultant only after receipt of the same from the ULB/ BMC department and settlement of the account.

5. Role and responsibilities of the Consultant:

Since a consultancy work gets awarded on the basis of knowledge and specific expertise of the Consultant, it is the responsibility of the Consultant to undertake and complete the consultancy work awarded with proficiency and integrity. The Consultant shall fulfill all

the required activities for successful completion of the task undertaken which shall not be limited to the following.

- a. Consultant shall comprehensively understand the scope of the work and satisfy himself regarding the competency required for execution of the work before applying for the assignment.
- b. While applying to MCMCR for a consultancy, details of his or her academic credentials, professional qualification and requisite expertise that fulfil the requirements of the consultancy work shall be provided.
- c. Consultant shall communicate and discuss in detail with concerned ULB/ department of BMC and understand the TOR of the work, payment terms, time schedule, etc. and submit his/her readiness to undertake the consultancy work for the MCMCR.
- d. Consultant shall submit the proposal to MCMCR incorporating requirement about engagement of other professionals/ academic experts/ institutions/ external agencies, etc. for the consultancy assignment along with his or her detailed scope of involvement, payment details, etc.
- e. Consultant shall sign the tri-party agreement with ULB/ BMC department and MCMCR and shall execute the consultancy work awarded with honesty, proficiency and integrity and complete the work successfully as per the terms and conditions finalized.
- f. Consultant shall inform progress of the work to MCMCR periodically & point out any variations/ delay from either side of the contract, if any.
- g. Consultant shall submit the details of expenses made towards the consultancy project periodically to MCMCR.
- h. Consultant shall submit copy of all the consultancy reports (interim/final) to the MCMCR for record.
- i. Consultant shall be responsible for the designs and related decisions being expert in the field.
- j. Consultant shall bear all the expenses towards the project and shall ensure that the same are included in the consultancy fees/ charges before submitting the proposal.
- k. The Consultant shall receive payments from MCMCR only after receipt of the same from the ULB/ BMC department and settlement of the account.

6. Role of the BMC:

It is important to enhance the competencies of the BMC Professionals to cater the desired consultancy services to ULB's and BMC departments.

- To develop consultancy skills of the BMC employees, it is proposed to allow deserving in-service BMC employees to work under the guidance of the experienced retired BMC professionals so that they can acquire relevant consultancy work experience. This will certainly enhance competencies of the BMC professionals and quality resources shall be available for the consultancy cell at MCMCR which can be utilized for BMC projects as well.
- It is to point out that, Director (E.S. & P.) has already directed HODs in the meeting held on 28.01.2020 to identify the projects from each engineering departments as well as to identify retired BMC professionals capable of offering consultancy services. It was also envisaged to identify meritorious and dedicated engineering staff capable of developing as future consultants and provide them required training from institutions like IITs and project exposure by arranging field visits to prestigious projects in India and abroad. BMC shall proceed further on these lines.
- The MCMCR is established with the major objective of capacity building of the ULBs in Maharashtra for which the major resources are anticipated from BMC. The BMC shall allow their in-service professionals to work on the actual consultancy assignments to satisfy the consultancy requirements of ULBs/ BMC departments. Such experienced and competent resources will be available to BMC for their in-house projects. It is proposed to utilize the provisions of MSR Rule Nos.61 & 62 for allowing MCGM in-service professionals to work on consultancy assignments.
- If the retired municipal employees wish to undertake consultancy assignment with MCMCR within two years from their date of their retirement, they can do so with the approval of the Hon. M.C., MCGM, as per Rule No.87 of the Pension Rules, 1953.
- The consultancy policy of MCMCR shall be adopted by all the departments of BMC for hiring consultancy services. BMC departments shall first communicate their consultancy requirements to MCMCR. If MCMCR is not in a position to provide consultancy services for particular assignment, then only BMC departments shall approach private/ external consultant.

C. Flowchart:

A procedural flow chart for undertaking Consultancy Services by MCMCR for ULBs/ BMC departments is given below:

- Identification of consultancy subjects from ULBs/ BMC departments by MCMCR.
- Identification of consultant such as retired BMC professionals, in-service BMC professionals, expertise from ULBs, State & Central Government, private individual professionals, and private professional firms by MCMCR and to prepare a database.
- Enquiry/Receipt of request from the ULBs/ BMC department for the particular consultancy assignment to MCMCR.
- To communicate with the concern department of BMC for recommending the professional for a particular consultancy assignment.
- Selection of Consultant by MCMCR from the available database and recommendations of the concern department:
 - Selection criteria - Weightage to the technical competency, similar experience, and availability for the project duration and capability to undertake consultancy assignment.
 - In case of more than one proposal are received, the most suitable Consultant will be recommended. A committee may be constituted involving retired/ working senior professional in the field and Director, MCMCR for recommending the names to the ULBs/ HoDs of BMC.
 - The limit for assigning the maximum number of consultancy assignments to a particular Consultant at a time will be decided by MCMCR, considering the demand of consultancy assignments and availability of resources for the same.
- Recommendation of the selected Consultant by the MCMCR to ULBs/ BMC department.
- Consultant to approach the concern ULB/ BMC department for finalizing the proposal.
- Consultant to submit the detailed proposal along with the engagement of other professionals/ academic experts/ institutions/ external agencies, etc. and their detailed scope of involvement, consultancy fees, etc. to MCMCR for approval.
- MCMCR to scrutinize & approve the consultancy proposal and communicate the acceptance to the ULB/ BMC department.

- ULB/ BMC department to place Work Order to MCMCR and MCMCR to communicate the same to the Consultant along with T&C of MCMCR.
- Consultant to execute tri-party agreement with concern ULB/ BMC department and MCMCR.
- Execution of the project by the Consultant in coordination with concern ULB/ BMC department with periodic reporting to MCMCR.
- Submission of the interim/ final consultancy reports to MCMCR by the Consultant for peer review, before submission of the same to ULB/ BMC department.
- Periodic review of the consultancy work by MCMCR & resolution of issues, if any.
- Receipt of the payment to MCMCR by the ULB/ BMC department and transfer of the same to the Consultant as per T&C (Advance/Running Bill /Final Bill).
- Completion of the work by the Consultant and submission of the report to the ULB/ BMC department with copy to MCMCR.
- Confirmation of the successful completion of the project from ULB/ BMC department by MCMCR and settlement of final accounts with ULB/ BMC department as well as Consultant.
- Data updating & preservation of all the records/ reports of the project in safe custody/ library by the MCMCR.

Sd/-
(Dr. Ramanath Jha)
Director General, MCMCR

Sd/-
(Dr. I. S. Chahal)
**Hon. Municipal Commissioner, BMC and
President, Governing Body, MCMCR**