



GOVERNMENT OF KERALA
KERALA STATE PLANNING BOARD

**THIRTEENTH FIVE-YEAR PLAN
(2017-2022)**

WORKING GROUP ON

URBAN ISSUES

REPORT

DECENTRALISED PLANNING DIVISION

KERALA STATE PLANNING BOARD
THIRUVANANTHAPURAM

MARCH 2017

PREFACE

In Kerala, the process of a Five-Year Plan is an exercise in people's participation. At the end of September 2016, the Kerala State Planning Board began an effort to conduct the widest possible consultations before formulating the Plan. The Planning Board formed 43 Working Groups, with a total of more than 700 members – scholars, administrators, social and political activists and other experts. Although the Reports do not represent the official position of the Government of Kerala, their content will help in the formulation of the Thirteenth Five-Year Plan document.

This document is the report of the Working Group on Urban Issues. The Chairpersons of the Working Group were Shri T.R. Raghunandan and Shri T. K. Jose. The Member of the Planning Board who coordinated the activities of the Working Group was Professor K. N. Harilal. The concerned Chief of Division was Smt. N. Prasanna Kumary.

Member Secretary

ACKNOWLEDGEMENT

It has been an immensely educative experience to co-chair this working group on urban issues. The Group consists of members who have vast experience in the field of urban development and bring a diverse range of perspectives to the table. This has resulted in high quality and engaging discussions that I hope, have added value not only to the report, but also to the individual perceptions of all the group members. I wish to gratefully acknowledge the contribution of all the members to the report and their unstinted desire for consensus and cooperative action. The preparation of this report in the short time provided to the Group, would not have been possible if it were not for the support provided by Ms. Prasanna Kumary, head of the Decentralised Planning Division of the State Planning Board. I am also grateful to Dr. Manilal for his timely interventions and communication of the views of the State Planning Board, to the Group. I do hope that the report will serve the requirements of the State Planning Board, as it gears up to draft the 13th Five year Plan of the State.

T.R. Raghunandan
Co-Chair

FOREWORD

Setting up of the Working Group

This Working Group on Urban Issues was set up by the State Planning Board, Government of Kerala, vide its Order no SPB/278/2016-dpd (WG2) dated 19-9-2016, with the objective of studying and making recommendations on urban development, which would contribute to the formulation of the Thirteenth Five year plan for Kerala. The Terms of reference of the Working Group are as follows:

1. To review urban development in the state focussing on leading issues such as slum development, housing, poverty, transportation system, water supply, employment, sanitation and solid waste management during the 11th and 12th Five Year Plan periods and to suggest a comprehensive strategy for meeting the challenges of urbanisation and overall development of the sector.
2. To evaluate achievements with regard to the plan projects launched in the urban sector, both by the State and Central Governments in the State during the 11th and 12th Five Year Plan periods and suggest modifications.
3. To critically assess the data base on urban development and to suggest measures for improvement.
4. To identify and formulate a set of output and outcome indicators (preferably measurable) for the sector/ programmes pertaining to the sector and base the analysis of the previous plans on these indicators, which are similar in nature and to identify innovative projects for effective dissemination.
5. To identify schemes/ programmes which are redundant and liable to be weeded out or reformulated or clubbed with schemes which are similar in nature and to identify innovative projects for effective dissemination.

Composition of the Working Group

The composition of the Working Group is as follows:

1	Sri T.R. Raghunandan, Former Joint Secretary GoI (Avantika Foundation, Bengaluru)	co-Chairperson
2	Sri T.K. Jose, Principal Secretary, Local Self Government Department	co-Chairperson
3	Sri V.K. Baby, Secretary LSGD	Member
4	Dr. K. Vasuki, Director, Urban Affairs Department and Executive Director, Suchitwa Mission	Member
5	Sri P.S. Muhammad Sagir, Project Director, KSUDP	Member
6	Sri K. Ramanan, Chief Town Planner, Town and Country Planning Department	Member
7	Sri S. Harikishore, Executive Director, Kudumbashree	Member
8	Sri V.k. Prasanth, Mayor, Thiruvananthapuram Corporation	Member
9	Dr. P.V. Unnikrishnan, Joint Director, C-DIT, Thiruvananthapuram	Member

10	Sri L. Rajeeve, Managing Director, KURDFC	Member
11	Dr. B.G. Sreedevi, Director NATPAC	Member
12	Sri N. Ramachandran	Member
13	Sri Joy Oommen, Former Chief Secretary, Chhattisgarh and Consultant, Urban Development, Kerala	Member
14	Sri V. Suresh, Advisor, Good Governance India Foundation	Member
15	Smt. Beena Philipose, Regional Chief HUDCO	Member
16	Sri Elias George, Managing Director and Director, Kochi Metro Rail Ltd	Member
17	Sri Kasturirangan, Former Chief Town Planner	Member
18	Sri Anand Singh, Director, Ministry of Urban Affairs, GoI	Member
19	Sri Assain Karat, Former Chairman, Mancheri Municipality	Member
20	Sri Rajagopal, Chairman, Punalur Municipality	Member
21	Sri Muhammad Salim, Chairman, Perinthalmanna Municipality	Member
22	Sri N.C. Naryanan, IIT, Mumbai	Member
23	Dr. Sunny George, Associate Professor, KILA	Member
24	Sri P.B. Sajan, Joint Director, COSTFORD	Member
25	Dr. N. Ramakanthan, Former Director, KILA	Member
26	Dr. Ajith, Director, Centre for Socio Economic and Environmental Studies, Kochi	Member
27	Sri Chandradath, COSTFORD Thrissur	Member
28	Smt. N. Prasannakumary, Chief (i/c) Decentralised Planning Division, State Planning Boards	Convenor
29	Sri Abdul Salam H. Assistant Director Decentralised Planning Division, State Planning Board.	Co-Convenor

Strategy of the Group

The Group held three meetings on 30 September, 4 November and 8 December 2016 to discuss all dimensions of the terms of reference. The thrust was to suggest concrete steps that could be taken by the State during the Thirteenth Plan period, whilst addressing the TORs. In the first meeting of the Working Group, the following sub groups were formed to address the aspects indicated alongside:

Sl.	Name of Sub group	Members
1	Urban Governance	Dr.K.Vasuki, Dr. N. Ramakanthan (Convenor) Dr. P.V. Unnikrishnan Sri. P. Joy Oommen,)
2	Urban Infrastructure, Urban Service Delivery and Urban Resilience	Sri. V. Suresh (convenor) Sri. P.B.Sajan Dr. B.G. Sreedevi Smt. Beena Philipose Smt. Bhagavathy Iyer Sri. Muhammed Sagir,
3	Urban Economic Development	Sri.A. Kasturirangan (convenor) Sri. C. Radhakrishna Kurup Chief Town Planner (planning) Dr. K. Vasuki,
4	Natural Resource Management and Waste Management	Sri. Harikishore, Sri. Binu Francis (convenor) Sri. Assain Karat Sri. T.R. Raghunandan, (convenor)
5	Financial Resource Planning	Sri. L. Rajeeve Dr. P.V. Unnikrishnan (convenor)
6	Participative Process in Planning	Sri. M.A. Rajagopal Sri. Assain Karat Sri. M. Muhammad Salim Chief Town Planner(planning) Sri. T.R. Chandra Dutt (convenor)
7	Inclusion	Dr. N. Ajithkumar Dr. Sunny George Sri. Anand Singh,
8	Spatial Planning	Sri K.Ramanan Sri .A. Kasthurirangan (convenor)

The inputs given by the sub-group members were considered in the second meeting. Following the second meeting, a draft report was prepared and circulated to the members. The comments of the members were considered in the third meeting of the Group.

Scheme of Chapterisation

The Group has suggested in this Report a practicable action programme for local level planning in the Thirteenth Plan. Whilst doing so, it has also suggested the manner in which overall priorities can be set and achieved better, through closer coordination between the State government and the Urban Local Bodies. We believe that the ultimate objective is to make integrated local level planning for area development a reality by the end of the Thirteenth Five

Year Plan. The Working Group felt that the chapters of the Report should follow the line of reasoning taken by the Working Group and within each chapter, the report would address the TORs at the relevant juncture. The Chapterisation of the report is as follows:

Chapter 1:	Introduction
Chapter 2:	The entry point; a new approach to spatial planning
Chapter 3:	Capacity Development
Chapter 4:	Financing Urban Development
Chapter 5:	Urban Infrastructure
Chapter 6:	Provision of Urban Services
Chapter 7:	Environment and Resilience
Chapter 8:	Local Economic development and poverty reduction

The working recommends that the State Planning Board advice the urban LGs to implement the Working Group recommendations from the very beginning of the Thirteenth Five Year Plan. The new approach should come into force ideally right from the first annual plan (2017-18) of the new five year plan. The Working Group also noted that if it was too late to introduce the new approach in the state as a whole at least a dozen or two LGs should be identified and encouraged to implement the new package on a pilot basis so that the rest can follow in the subsequent years.

CONTENTS

Chapter 1 Introduction	1
Structural Features of Governance	2
Environmental Features	3
Social Features.....	3
Economic Features.....	4
Approach of the Working Group	4
The Overarching Vision: Inclusive Urban Development for an Inclusive Kerala	5
The Non–Negotiable Principles.....	7
Chapter 2 The Entry Point: A New Approach to Spatial Planning	9
The Ground Situation in Kerala.....	10
National and International Trends: The Growing Disillusionment With Conventional Master Planning.....	11
International Trends.....	12
Lessons and Suggestions for Kerala in Redesigning the Spatial Planning Approach:.....	15
Participatory Planning for Spatial Aspects and Budgeting	20
Sticking to Timelines	22
Chapter 3 Capacity Development	23
Strengthening of Human Resources in the Urban Sector	23
Training and Skill Development.....	25
Curing the Dearth of Studies	25
Improving Databases	26
Land Mapping	26
Chapter 4 Financing of Urban Development.....	27
Category A: Intergovernmental Fiscal Transfers, Central and State Finance Commission Transfers	28
Category B: Intergovernmental Fiscal Transfers; Schemes and Programmes.....	29
Category C: Loans, Bonds, Other Forms of Borrowing and Debt Financing:	35
Enhancing Own Revenues of Local Governments.....	36
Capturing and Securing Benefit from Rising Land Values.....	37
Building an Expenditure Information Network:	38
Attempting a Projection of Financial Needs for Urban Development in the 13th Plan	39
Chapter 5 Urban Infrastructure	42
Urban Transport	42
Housing	45
Chapter 6 Provision of Urban Services	48
Water Governance.....	48
Possible Path Ahead for Integrated Solid and Liquid Waste Management	50
Other Services	53
Chapter 7 Environment and Resilience.....	54
Chapter 8 Local Economic Development and Poverty Reduction.....	56
Annexure 1.....	59

CHAPTER 1
INTRODUCTION

1. It is well known that Kerala's settlement pattern is unique; comprising for the most part a continuous spread of habitation. The State Urbanisation Report (2011) points out that Kerala's increasing urban population is driven by an increasing number of areas with an urban character, including urbanisation of peripheral areas of existing urban centres. The share of urban population in total population started increasing from the 1980s (18.7 per cent in 1981 to 26.4 percent in 1991) and surpassed the country's average by 1991 (25.7%). After a slowdown during 1991-2001, the percentage of urban population in the state grew rapidly during 2001-2011 (from 25.96% in 2001 to 47.72% in 2011). Kerala is now the third most urbanised state in the country after Goa and Tamil Nadu and is reckoned by the 2011 census to be the fastest urbanising State in the country. (Table 1).

Table 1 *Ranking of Districts by Percentage of Urban Population, 2001 and 2011*

Rank in 2011	State/District	Urban Population %		Rank in 2001
		2011	2001	
(1)	(2)	(3)	(4)	(5)
	KERALA	47.72	25.96	
1	Ernakulam	68.07	47.56	2
2	Thrissur	67.19	28.22	6
3	Kozhikode	67.15	38.25	3
4	Kannur	65.05	50.35	1
5	Alappuzha	54.06	29.46	5
6	Thiruvananthapuram	53.80	33.75	4
7	Kollam	45.11	18.02	8
8	Malappuram	44.19	9.82	12
9	Kasaragod	38.78	19.41	7
10	Kottayam	28.58	15.35	9
11	Palakkad	24.09	13.62	10
12	Pathanamthitta	11.00	10.03	11
13	Idukki	4.70	5.10	13
14	Wayanad	3.87	3.79	14

2. Census 2011 has witnessed a steep increase in the number of census towns, over the 2001 Census. This feature is near universal; only two districts, Wayanad and Idukki have no census towns in 2011¹. Over 50 per cent of the census towns are in Kannur, Thrissur and Ernakulam districts. The number of urban agglomerations has progressively risen from 9 in 1981 to 19 in 2011, of which five were newly listed in Census 2011². The 19 urban agglomerations account for 91 percent of Kerala's towns and 93.74 per cent of the urban population. Many urban areas in Kerala, particularly the areas of continuous habitation alongside most arterial roads in the State, are still Gram Panchayats in their legal status (Table 2).

¹ in 2001, Malappuram, Kottayam and Thiruvananthapuram too belonged in that category

² Ottappalam, Chalakkudy, Kothamangalam, Changanassery and Kayamkulam.

Table 2 *Number of Statutory³ and Census Towns⁴, 2001 and 2011*

State/District	2001 Census			2011 Census		
	Statutory Towns	Census Towns	Total	Statutory Towns	Census Towns	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Kasaragod	2	5	7	2	25	27
Kannur	7	38	45	7	60	67
Wayanad	1	-	1	1	-	1
Kozhikode	3	10	13	3	48	51
Malappuram	5	-	5	5	39	44
Palakkad	4	1	5	4	17	21
Thrissur	7	21	28	7	128	135
Ernakulam	9	16	25	9	47	56
Idukki	2	-	2	1	1	1
Kottayam	4	2	6	4	13	17
Alappuzha	5	6	11	5	33	38
Pathanamthitta	3	-	3	3	1	4
Kollam	3	-	3	3	24	27
Thiruvananthapuram	5	-	5	5	26	31
KERALA	60	99	159	59	461	520

Source Census Report, 2011

3. The Unique Features of the Ground Situation in Kerala, which have resulted from A Combination of Social, Political, Economic and Environmental Factors are as follows.

Structural Features of Governance

4. Kerala presents one of India's best models of democratic decentralisation, commenced from the big-bang efforts of the peoples' planning campaign of 1996-97. Yet, it is now felt that the institutionalisation of these reforms have fallen behind and 'creeping centralisation' has happened, with line departments and parastatal entities gaining much more command and control over the activities of local governments (LGs) than in the past, through a plethora of guidelines and directives. Thus, the untied funds given to the LGs are not really as untied as before. Long standing bans on the local governments from raising their property taxes has also severely hampered their independence and puts a serious question mark over the State's commitment to promote devolution to LGs.
5. Urbanisation has not been accompanied by a formal re-configuring of rural local governments (Grama Panchayats) into Municipalities, or City Corporations. While on the one hand urbanised structures offer greater opportunities for economies of scale due to agglomeration, the Panchayat system offers greater opportunity for public participation as compared to the

³ These include Municipal Corporations, Cantonment Boards, Municipalities and Nagar Panchayats.

⁴ Census Towns are those non-urban areas that are classified, based upon the population, population density and male main working force engaged in non-agricultural activities. Out-growths are areas adjacent and contiguous to statutory towns having all urban facilities but which do not satisfy the population parameters to be classified as census towns. An Urban Agglomeration is a continuous urban spread constituting a town and its adjoining urban out-growths, or two or more physically contiguous towns together and any adjoining urban out-growths of such towns.

Constitutional design for urban areas. Thus, the change of status of Panchayats to Municipalities has the potential of rob citizens of platforms of participation, without replacing them with an equally potent constitutionally mandated equivalent.

6. Furthermore, urbanization is not only a spatial process, but a social and economic one as well. The nature of Grama Panchayaths, while still formally rural governments, is turning urban equally due to the waning of small scale production and distress in agriculture, leading to decline in agricultural incomes. Thus, Kerala is urbanising even without the drift of rural people to urban centres. Most of the Grama Panchayaths are thus 'urbanised; there would only be a few where more than fifty percent of the population depend upon agriculture. In such circumstances, we have to also question whether, in the Kerala circumstance, there is any meaning in demarcating urban and rural areas formally. The whole of inhabited Kerala could be considered to be an urban state, without sticking to the formal terminology of urban and rural areas.

Environmental Features

7. Like the rest of the world, Kerala's cities and settlements face unprecedented threats from unsustainable consumption and production patterns, loss of biodiversity, pressure on ecosystems, pollution and increased vulnerability to natural and man-made disasters and climate change and its related risks. Kerala's natural environment and biodiversity has been under severe stress, largely due to urbanisation. Wetlands, coastal areas, forests and hill regions have been particularly affected and these are all sensitive and delicate environments. Low density urban sprawls are devastating local micro-environments – one only has to see the high rise flats coming up next to lake shores in Kochi and the urbanisation in Munnar – as examples of such folly. Furthermore, with climate change continuing unchecked, Kerala is likely to experience more frequently, catastrophic climate related disasters. Several such have already occurred, both as intense local events or state wide ones. These will disadvantage particularly, those structures and urban sprawls that have extended into environmentally sensitive areas.

Social Features

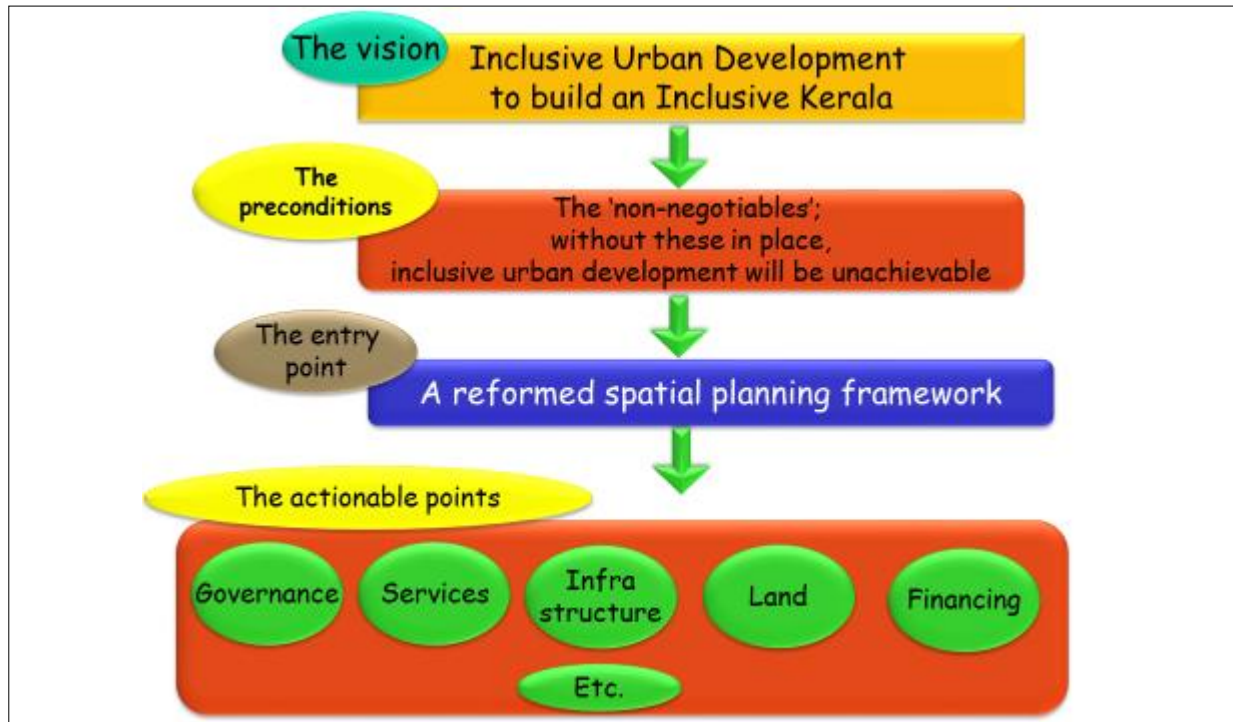
8. While Kerala has a commendable record of erasing forms of severe discrimination that were a sorry feature of its past, lingering discrimination continues, particularly against the poor, tribal people and women. While poverty has reduced overall, a new form of more severe poverty is emerging, that of the aged, the destitute, the physically and mentally challenged. As society has become more prosperous, the remaining poor are worse off. Besides, a new feature that has emerged, particularly in the last decade, of large scale migration from other States to do the jobs that Keralites do not seem to want to do. This has led to the establishment of large settlements and enclaves of migrants, and the informal mushrooming of services especially for them. While social tensions have not risen so far from this development, there is a need to take preventive measures in advance.

Economic Features

9. Kerala's economy has been for at least three decades, strongly consumerist and service oriented. There are no large industries of note in Kerala of the same scale as elsewhere, and there are not likely to be any, given the high values of land across both rural and urban areas and the strong antipathy to large scale land acquisition. Agriculture, in spite of the success of decentralised efforts, has grown at a slow proportion and Kerala still remains a net importer of food. Kerala's income is still supported to a more significant proportion than in other states by international remittance incomes, yet there is a growing feeling that the largesse of the past may not be forthcoming in the future. This has led to a strong growth in private real estate development, as Keralites abroad invest their savings in building retirement or holiday homes in the State. While these dot the main cities, for the time being many of them lie vacant, even as there is a perceived shortage of housing for the poor. The potential for industrial development in the future is more towards IT industries, given Kerala's large pool of educated and skilled manpower. However, the success of such efforts are dependent upon the global demand and supply position and Kerala will also have to contend with competition from other centres in India for its share in the IT business. From the regional development context, the Greater Kochi region, Greater Kozhikode region and Greater Thiruvananthapuram region have an economic development potential that can link urban areas within the region with the economic drivers for each region. Industrial potential, IT/ITes and service sector growth areas including tourism, education and health care are potential influencing sectors that need to be highlighted when regional growth is considered.

Approach of the Working Group

10. The Working Group has looked at urban development in the State within this broad context of the Kerala situation described above, as we believe that any suggestions on urban development would not work if they are divorced from these larger realities. After debating the several ways in which the recommendations of the Working Group could be articulated, we have opted for a line of thought where we go from the larger vision, down to the nuts and bolts suggestions on the action points for the Thirteenth Plan. This is visualised in Box 1:



The Overarching Vision: Inclusive Urban Development for an Inclusive Kerala

11. While urbanization is moving the global economy forward, rising inequality and exclusion of poorer people from its benefits is an unwelcome by-product. Kerala, with its long standing commitment to building an inclusive society will need to be especially careful to ensure that urbanisation does not lead to exclusion raising its ugly head in the State again. Therefore, the larger commitment should be to reiterate and strengthen Kerala's commitment to inclusive development.
12. Kerala also needs to focus on what is internationally gathering momentum - the goal of sustainable urbanisation - which is to now seen to be central to strategies for mitigating climate change. Economising on emissions and promoting energy efficiency in urban areas has much to do with how cities are spatially configured and serviced. Apart from local land use regulation that steer settlements away from disaster prone areas and sensitive ecosystems, building compact cities around public transport and pedestrian movement constitute measures that can considerably improve energy efficiency of cities, reducing their climate change impact.
13. The New Urban Agenda agreed upon in the UN Conference on Housing and Sustainable Urban Development⁵, focuses on making urban areas inclusive, safe, resilient and sustainable. It emphasises landscapes, natural resources and public space preservation for all and calls for "better coordination between local governments, national, sub-national and a holistic view of urban planning to ensure an effective cohesion, participation and social inclusion". Cities

⁵ Habitat III, held in Quito, 10 September 2016

meeting this vision will enable equal use and enjoyment of cities and human settlements to all without discrimination. In specific terms this would mean the following actions (Box 2):

Box 2 A vision for inclusive cities

Cities will:

1. Fulfill their social function and progressively achieve the fulfilment of the right to an adequate standard of living, which will include housing without discrimination, universal access to safe and affordable drinking water and sanitation, equal access to all public goods and quality services in food security and nutrition, health, education, infrastructure, mobility and transportation, energy, air quality and livelihoods. In doing so they will recognize the specific needs of the vulnerable;
2. Be participatory, promote civic engagement, engender a sense of belonging and ownership among all inhabitants, prioritize safe, accessible, green family friendly public spaces, enhance social and intergenerational interactions, cultural expressions and political participation, and foster social cohesion, inclusion, and safety in peaceful and pluralistic societies,
3. Will achieve gender equality and empower women and girls to secure their effective participation and equal rights in all fields, leadership and decision-making levels. They will also ensure decent work of equal value for all women and equal pay for equal work, and prevent and eliminate discrimination, violence and harassment against women and girls in private and public spaces;
4. Will leveraging urbanization for sustainable economic growth leading to structural transformation, high productivity, value-added activities, and resource efficiency. While harnessing local economies, it will take note of informal economy contribution, while supporting a transition to the formal economy;
5. Promote age-and gender-responsive planning and investment for safe, and accessible urban mobility for all and resource efficient transport systems for passengers and freight, effectively linking people, places, goods, services, and economic opportunities;
6. Fulfill their mandated territorial functions and act as hubs and drivers for balanced and integrated urban and territorial development
7. Implement disaster risk reduction and management, reduce vulnerability, build resilience and responsiveness to natural and man-made hazards, and foster mitigation and adaptation to climate change;
8. Protect, conserve, restore, and promote their ecosystems, water, natural habitats, and biodiversity, minimize their environmental impact, and change to sustainable consumption and production patterns.

14. Clearly, building inclusive cities and urban habitats requires dealing with spatial, social, economic and political factors. Spatial inclusion covers not only access to individual necessities such as housing, water and sanitation but also to common ones such as parks, transportation and street-lighting. Social inclusion, while partly met by spatial inclusion, also means much more, such as a right to safety for all, regardless of gender, social or economic standing. It also includes cultural inclusion and the preservation of cultural heritage.

Economic inclusion is to focus on creating jobs and giving urban residents the opportunity to enjoy the benefits of equitable economic growth. Political inclusion means democratic decentralization and participation of all people in decision making process. Obviously, these approaches are inter-twined and some interventions address all of these. For example, spatial planning for access to land, infrastructure, housing and common areas, is linked with social interventions (inclusion of the marginalized, community-driven development, investment in crime and violence prevention, citizen engagement,) and economic measures (jobs and opportunities for all, education and skill building, pro-poor economic strategies, access to credit and finance).

15. The Working Group suggests that these principles are adopted as the overarching vision for Kerala as well. The State's legal frameworks, policies and administrative actions need to be reviewed to ensure that the above vision is enshrined within them as policy and effectively implemented in practice. For that purpose, we have attempted to translate the vision of inclusion to a set of actionable points on urban planning and development specific to Kerala.

The Non-Negotiable Principles

16. This vision of inclusive urban development for an inclusive Kerala can be better achieved if some non-negotiables relevant to Kerala are debated and set out, as follows:
17. First, is to realise that the carrying capacity of urban areas is not infinite, but is limited by environmental constraints and conservation of natural and heritage resources. When you consider lands that cannot be diverted, for example CRZ and paddy fields, or heritage zones that cannot be taken up for inner city redevelopment, then the land that is open to green-field development gets considerably limited. This calls for tough choices, where preservation of the natural or existing built environment that is part of the State's invaluable cultural heritage.
18. Second, everything that has the effect of making our cities safe to live in should be done and anything that has the potential to make our cities unsafe in any fashion whatsoever, should not be rationalised or attempted to be done. Safety is a wide ranging idea and can include issues that touch the city as a whole (for example, where landfills should be located or whether reclamation of land from lakes should be attempted) to those that are very local in their span of influence (such as location of streetlights or public lighting in parks, or police stations and frequency of police beats). Furthermore, the components of a safe environment and therefore, the prioritisation of their implementation, can radically differ from stakeholder to stakeholder. What a child, a senior citizen, a differently abled person, a woman or a migrant labourer wants might vary dramatically from the priorities of an average citizen. For example, while mobility affects everyone, women and men often have substantially different patterns of demand for transport services. Personal safety is a major concern for working women who commute after dark and this often limits the choice and locations of their work. Therefore, planning for better law and order and safety should take precedence over other priorities in planning.

19. Third, the participatory process in planning and implementation cannot be bypassed. In Kerala's context of decentralized planning with peoples' participation, it is essential to have the active involvement of people as stakeholders from the very beginning of Plan formulation stage. While Grama Sabhas in rural areas have a high degree of participation from women, particular care will need to be taken to ensure the meaningful participation of children, the elderly, and the differently abled in participatory processes. Instruments of participation may need to be differently configured, in order to take care of the diverse nature of urban stakeholders and the fact that unlike the rural counterpart, the interest in urban services is not confined to that available near the residence of the stakeholder concerned.
20. Fourth, considerations of departmental turf should not become a constraint in achieving coordination. The government should not be swayed by vested interests whilst attempting the departmental redesign to streamline processes and improve coordination. Departments that are redundant or inappropriate in their current form, should be reformed or even done away with, if necessary. Institutions blaming the other for failure to achieve the common objective should be avoided.
21. Fifth, the concept of users paying for the services enjoyed and the polluter paying for the pollution caused, should be enforced. Wherever affordability is an issue, targeted transparent and measurable subsidies should be provided for the disadvantaged, marginalised and poor across all segments of growth.
22. With these non-negotiables in place we move to the entry point for planning, namely, taking the spatial route.

CHAPTER 2
THE ENTRY POINT: A NEW APPROACH TO SPATIAL PLANNING

23. Typically, configuring the planning process for a five year plan has always started with laying down the needs for investments, estimating the budgets required, planning for how they could be met and then preparing an execution strategy. We have taken a different approach; of using spatial planning as the entry point instead of the budgeting approach. There are three reasons why we are doing this, as detailed below:
24. First, the bane of current approaches to planning has been the gap between budgetary planning and spatial planning. Even the institutions involved and the processes put in place run parallel to each other. Spatial planning has so far been continued through legal instruments that pre-dated the 73rd and 74th amendments and do not take into account the political reality of the latter. On the other hand, campaign mode participatory planning approaches have focused on how budgets for local governments should be spent, with little regard for where the facilities on which they are spent are to be located. This has resulted in a dichotomy, with spatial planning remaining a technocratic process, whilst budgeting has been invested with participatory processes. As long as such a dichotomy continues, urban planning to achieve inclusive cities cannot be achieved.
25. Second, while discussions on reforming spatial planning approaches do bring up the need for participation and consultation, in reality, this has not been achieved. Given that Kerala has achieved a commendable level of decentralisation, transparency and participation in local level budgetary processes, the same cannot be said of local level spatial planning processes. The use of land is increasingly going to be constrained, as detailed in the introductory paragraph. Efforts to bring about a coordination between spatial and budgetary planning have not gone beyond pilots, and even in these instances, there has not been enforcement of the spatial reservations agreed upon.
26. With the passing of the Kerala Town and Country Planning Act 2016, Kerala has taken a major step towards reconfiguring its spatial planning approach, in spite of the opinion in some quarters that it is against the spirit of decentralisation and participatory planning. The Act, which came into force in March 2016 replaced three pre-independence legislations that applied to different regions of Kerala⁶ and adopts most of the recommendations of the GOI's URDPFI Guidelines, 2014. The new planning paradigm in the Act provides for:
1. Perspective plan preparation at the State, District and Metropolitan Areas.
 2. Master Plans for the Local Planning Area,(i.e, the area of a Municipal Corporation, Municipal Council, Town Panchayat or Village Panchayat) and for the Joint Planning Area (as declared by the Government and which may span the area of more than one local government) and
 3. Detailed Town Planning Schemes (where a local government may undertake development of an area under its jurisdiction)

⁶ Town Planning Act, 1008 ME; Travancore Town and Country Planning Act, 1120 and the Madras Town Planning Act, 1920

27. The Act states that the contents of a Master Plan may include:
1. A situational analysis of the present state of development, covering the history, current trends demographic and physiographic characteristics, the economic base, employment and existing land use
 2. A long term development concept and strategy for about twenty years, having regard to what the State lays down for the Local Planning Area in its perspective plan, the district and Metropolitan Area plans and its own goals, strategies, and policies on spatial development
 3. Master Plan documents with land use proposals, development control regulations and infrastructure development plans, which in particular covers the hierarchy of commercial areas, dispersal of commercial activities and industries, population assignment, space requirement for various activities and designating land use accordingly for housing, educational, health, cultural and religious facilities, open space, recreation, heritage conservation, ecologically sensitive areas and hazard prone areas and public gathering grounds, transportation, utilities and services and tourism,
 4. Proposals for promoting planned development, such as Transferable Development Rights, Accommodation Reservation, Land Pooling Schemes,
 5. Regulations for land use, such as for natural hazard prone areas, building regulations covering setbacks, reserved open spaces, FAR, height and number of storeys and density related matters, parking spaces etc.
 6. Statement of community involvement in master plan preparation, implementation and monitoring;
28. Clearly, the Master Plan has a wide scope that goes beyond spatial aspects alone. This is an opportune moment to clear long standing misconceptions about master planning. So far, they have been seen as narrow, regulatory instruments that impose unwarranted and inflexible restrictions on land use. For this reason, they have been disregarded in favour of more short term and day to day approaches towards building licence sanction. The absence of master planning is only noticed when large scale problems arise. The development policies and guidance measures for more systematic urbanisation and urban development are ignored.

The Ground Situation in Kerala

29. Even as Kerala has brought in a comprehensive spatial planning law, it is burdened by the legacies of the past. The present situation in Kerala is briefly summarised below:
1. All the towns and cities in the State do not have currently valid or updated Master Plans. Only a few revised Master Plans⁷ (as for Thiruvananthapuram, Kochi and Kozhikode) have been published. City Development Plans (CDPs), based on the Strategic Planning Approach were prepared in compliance with the Jawaharlal Nehru National Urban Renewal Mission (JnNURM), but the main intention seems to have been to meet the conditionalities to draw funds. These plans have been ignored in

⁷ also referred to as Development Plans

implementation as these schemes have drawn to a close⁸. The current status of spatial planning in Kerala is summarised in Table 3:

Table 3 *Status of Master Plans*

No of Towns Census 2011	No. of Census Town	No. of Statutory Town (ULBs)	Statutory Town (%)	No. of Master Plan Sanctioned	No. of Master Plans Under Preparation	Towns having Master Plan
520	427	93	18%	15	47	28

Source Town and Country Planning Department, December 2016

2. Over the years, and wherever master Plans are currently in position, these are used as ‘regulatory documents’, due to their obsession with detailed land use and zoning.
3. Due to the inflexible approach of Master Plan preparation, ULBs hardly take interest in getting them to be prepared or for following them when they are in place.
4. There seems to be no collaborative approach or accommodation of constraints experienced, between the ULBs and the Town Planning Department. Both sides accuse the other of not taking the initiative to coordinate, whilst remaining silent on answering the complaints of the other. The Department’s view is that ULBs lack the capacity and the interest to pursue the enforcement of Master Plans. They point out to the absence of a town planning cadre in the Municipal Structure, corruption and the pressure of workload in the face of severe staff shortages as the reasons for this lack of interest. The department feels that ULBs do not use the professional pool of town Planners in the department to their benefit. The ULBs in turn point out delays on the part of the Town and Country Planning Department to expedite the preparation of Master Plans even when the ULBs have taken interest. Furthermore, they accuse the Town Planning Department of being stuck in the past; placing reliance on rigid, micromanaged zoning based plans, and using that fact to reinforcing their notion that the Master plan is a non transparent inconvenience that is best ignored.
5. One of the key institutional failings is that there might be an incipient conflict between the Town Planning Act and the Kerala Municipal Building Rules (KMBR). The latter is followed, whilst the former is ignored.

National and International Trends: The Growing Disillusionment With Conventional Master Planning

30. Conventional master planning approaches have been under the scanner not only in Kerala, but across India and worldwide as well. In India, the Master Planning approach, which covers a horizon of about 20 years and aims to present a detailed view of the built-up form of a city its ideal end state,⁹ is being seen as technocratic, deterministic, and rigid. Being confined to physical planning, master plans are considered as hardly addressing the concerns of integrated

⁸ Alarmingly, these documents have become ‘shelf documents’ and been forgotten, Sometimes, copies of such documents are also not available.

⁹ It comprises a report, land use maps, and an implementation framework. It prescribes for: (i) allocation of land for various uses, (ii) regulation of its development, and (iii) installation of infrastructure. Plan implementation envisages legal protection to the plan, zoning, sub-division and building regulations, capital budgeting, structure development, and urban renewal.

development- production, employment, transportation, land use, housing, social inclusion, and resource mobilisation for plan implementation. Master plans are seen as ignoring the drivers of economic growth such as regional specialisation and agglomeration externalities and not connecting to the economics of cities. The land use detailing of Master Plans were time consuming and in turn led to an elaborate system of regulation to implement the grand vision contained in master plans, which were hardly followed. To overcome these lacunae, two alternative approaches were advocated, namely City Development Strategy (CDS) and City Development Plan (CDP).

City Development Strategy

31. The CDS recognised that for cities to act as drivers of growth, they needed to position themselves as agents of effective service delivery, local economic development, social inclusion, sustained poverty reduction, and good governance. The CDS approach¹⁰ emphasised civic engagement, empowerment of local authorities, creation of capacity, and promotion of vibrant markets. A continuous process of stakeholder group consultation was envisaged to secure formal political commitment, agreed vision, strategic framework, and coordinated implementation. However, unlike the Master Plan, the CDS approach was not backed by law.

City Development Plan (CDP)

32. The JnNURM prescribed CDPs as a precondition to accessing funds under the programme. The CDP provided a framework¹¹ within which projects are to be identified and executed. However, the CDP did not link the financing strategy of the city with its Master Plan and neither did DPRs flow from the CDP as expected. On the other hand, cities that already had discrete, but uncoordinated projects that needed funding, slotted these clumsily into the CDP, in the anxiety to draw central funds that were available.
33. Therefore, clearly, Indian efforts to give urban planning a new face and new approach, have largely not yielded the desired results.

International Trends

34. In the developed world, there has been a growing trend to replace the conventional processes by more strategic, participatory and flexible ones. However, even as master planning becomes flexible in the developed world, Developing countries have continued with master planning and land-use zoning, often excluding citizens from the planning process. Top-down, technical

¹⁰ Which comprised of the following stages: (i) initiation guided by key stakeholders representing major interests in the city; (ii) establishment of scope in spatial scale and breadth of issues; (iii) identification of drivers of change such as demography, industry, technology, etc.; (iv) formulation of a collective vision of the city; (v) SWOT analysis of the city; (vi) determination of strategic thrusts for growth and poverty reduction; (vii) articulation of vision and focus areas; and (viii) implementation.

¹¹ Which comprised in addition to analysis of the present state and a SWOT, the preparation of a City Investment Plan (CIP) and financing strategy through a consultative process.

and expert-driven approaches have been at odds with community priorities, leading to poor ownership of master plans and implementation failure. The disconnect between people and master plans have led to two trends. Where Master Plans are strongly enforced, those who cannot afford to comply have been pushed out to areas where they can evade detection, such as slums. Where Governments have lacked the capacity to enforce master plans, it has led to a free for all where even the fundamental norms of master planning are ignored. Either way, unrealistic planning regulations have directly contributed to the exacerbation of poverty and spatial marginalization, forcing the poor to violate laws in order to survive.

35. Another reason for the discrediting of conventional master planning has been the fragmentation of the responsibility for its preparation and implementation in various departments and local government levels. In particular, this has delinked the directive aspects of spatial planning from day to day regulation and land-use management. Furthermore, when spatial plans were not linked to how budgets are prepared and funds allocated, the ensuing lack of coordination has resulted in spatial plans being simply ignored in the scheme of things. This leads to a paradox; departments concerned with urban infrastructure often ignore master plans in the face of the need to solve emergent problems, overlooking the fact that if Master Plans were indeed complied with, these problems might not have emerged in the first place.

The Emerging Wider, New Paradigm

36. In middle income countries and the developed world, sustainable approaches have taken centre stage both in the context of rapid urbanisation and otherwise. This change is evidenced by the varied terms used to describe either the whole or the parts of the process; spatial planning, land-use planning, physical planning, city planning, town (and regional) planning, development planning and now, environmental planning/management, covering both the natural and built environment, for instance. More recently, attempts to transform conventional physical planning to a more strategic and integrated government activity have led to the idea of 'urban (public) management', which includes urban planning activities. Furthermore, urban planning is now often initiated and carried out in partnership between the state, the private sector and civil society organizations.
37. New approaches to urban planning worldwide have become more holistic. They aim to provide for concerns such as gender equity, crime and safety, health, heritage and environment to be addressed within urban planning approaches. Yet, they have moved from a comprehensive approach to a strategic one that reflects emerging urban concerns such as global positioning, environmental protection, sustainable development, achieving urban related MDGs, social inclusion and promoting a local identity. They have been more flexible and action and implementation oriented through links to budgets, projects and city-wide or regional infrastructure, encouraging government departments to coordinate their plans. They have been stakeholder or community driven rather than only by experts, with the focus being on the planning process, rather than on uniformity of outcomes. These new approaches are grouped under seven broad categories, (Box 3):

Box 3 *New Approaches to Urban Planning*

Category	Type
Strategic spatial planning	Long range broad and conceptual spatial ideas, rather than detailed spatial design. Spatial plan linked to a planning scheme specifying land use and development rights and providing guidance for urban projects. Barcelona strategic plan promoted a 'compact' urban form and provided a framework for a set of local urban projects with a strong urban design component.
Spatial planning as instrument for institutional integration	<p>The new British planning system of integrated development planning aims to replace conventional land use planning with regional spatial strategies and local development frameworks. The purpose of the new spatial plans is to shape spatial development through coordinating the spatial impacts of sector policy as opposed to the previous approach of regulating land use and development. An unresolved issue, is exactly how the new spatial plans will align with the development control system.</p> <p>In post-apartheid South Africa, an integrated development planning (IDP) manager's office in each municipality undertakes needs assessment, vision development, and aligns the plans and projects of each line department to the urban vision. The strategic spatial plan thus spatially coordinates sectoral plans, rather than spatial goals feeding into these other plans. Spatially 'harmonized' projects are then budgeted for.</p>
Land regularization and management	Positioned as an alternative to evictions and as a better way of managing public space and services. This requires a fresh look at regulatory aspects of planning with a focus on accommodating and informality
Participatory and partnership processes	Participatory planning through adoption of processes that promote state–community relations
International agency approaches and sectoral concerns	Typically driven through Urban Management Programmes or sectoral programmes that have implications for planning processes and institutional location.
New master planning	This approach has attempted to innovate, while continuing traditional master planning and regulatory systems. 'New' master plans are bottom up and participatory, oriented towards social justice and aim to counter the effects of land speculation. In Brazil, the enshrining of participatory principles in the 1988 Constitution aimed at democratizing access to the city led to an ambitious campaign for preparing participatory Master Plans oriented towards social justice and aim to counter the effects of land speculation, in 1700 cities by October 2006. The Special Zones of Social Interest ¹² , a new regulatory tool within the master plans was adopted to ensure rights and access of the poor to land by regularizing land rights and entitlements, thus improving access to other rights such as justice, credit and housing finance. The zones intervene in the dynamics of the real estate market to control land access, secure social housing, and protect against speculation that would dispossess the poor.
New spatial forms	As a reaction against low density urban sprawl, interest has turned towards 'compact cities, with medium- to high-built densities, mixed-use environments and good public open spaces. Urban areas are aimed to be contained within

¹² First attempted in Belo Horizonte and Recife in the 1980s, and subsequently in other favelas. This

urban edges, designed to protect natural resources beyond the urban area and to encourage densification inside it. The idea is to promote a compact form, mixed use, pedestrian-friendly streetscapes, defined centres and edges, and varying transport options. Health, retail and government services are clustered around public transport facilities and intersections.

A Summing up of International Trends

38. Most of the new and innovative approaches to urban planning described above are moving towards normative principles for urban planning and attempt to address the problems in traditional modernist planning approaches. However not all approaches address all criteria. Implementation remains a problem as it is dependent upon broader socio-political factors outside the control of the planning system. The focus is more on the process, often at the expense of outcomes. It is too early to assess whether such approaches are dealing effectively with climate change, resource depletion, rapid urbanization, poverty and informality. To conclude, regulation and land-use management are the most powerful aspects of urban planning; yet most reforms have concentrated on directive planning. The regulatory system is probably the most difficult to change because of entrenched legal rights and interests; but without reform in this sphere it will be extremely difficult to use planning to promote urban inclusion and sustainability.

Lessons and Suggestions for Kerala in Redesigning the Spatial Planning Approach:

39. Kerala needs to reflect on the failure of policy makers and practitioners to integrate the Master Plan, which provides a spatial framework, with the CDS and CDP, which suggests a development strategy without a spatial frame and the conventional participatory process, which concentrates on budgeting for, selection and implementation of projects. There is a need to interweave the spatial, service delivery and economic approaches so closely that they cannot be disentangled. It is only when we have a framework in which the economic and spatial approaches integrate that we can satisfy a range of needs and concerns of the urban population – social, economic, psychological, educational and medical. Such integration will force us to debate on some of the alternatives of development that face us in our cities, for example, on (a) whether densification and mixed use of land is necessary or otherwise, (b) whether we can afford an urban planning model founded on automobility or focus on public transportation, cycling or pedestrian access, (c) determining who has priority when physical space is contested (as for example, the access to vending areas), or (d) whether a highly decentralised model is preferred for solid waste or liquid waste management.
40. In tangible terms this would mean that multiple planning processes by whatever names called - City Spatial Plan, CDP, City Mobility Plan, and City Financing Plan - must be integrated rather than pursued as unrelated exercises as at present. This will call for flexible land use planning, inclusionary zoning, innovative land assembly and value capture financing. Such an approach alone will enable Kerala's urban areas, whether cities, census towns or urban agglomerations to function as engines of economic growth while being liveable. The following steps are recommended for implementation during the Thirteenth plan period:

Positioning the Formal Master Planning Exercise as a Component of a Larger, More Holistic Planning Process

41. As per the inputs provided by the Town and Country Planning Department, the Kerala Town and Country Planning Act 2016 provides for the following kinds of plans to be prepared (Table 4 a):

Table 4 a *Planning Processes envisaged in the Kerala Town and Country Planning Act 2016*

S. No	Decentralised plan Approval process	Plan Approving Authority
1	Perspective Plan for the state	State Government
2	Perspective Plan for the district	State Government
3	Execution plan taking into account the Perspective Plan for the district	State Government
4	Master Plan for the metropolitan Area	State Government
5	Execution plan taking into account of Master Plan for the Metropolitan Area	State Government
6	Master plan for local Planning Area	State Government
7	Execution Plan taking into account of Master Plan for the local planning area	District planning committee
8	Master Plan for Joint Planning Area	State Government
9	Execution plan for their local planning area taking into account of master Plan for the joint Planning Area	District planning committee
10	Detailed Town planning Schemes	State Government

42. At the same time, there are other planning processes that straddle the spatial planning aspect and that are still in vogue, either as statutory processes, or as mandated by various funding programmes for urban Development (Table 4 b)

Table 4 b

S.No.	Decentralised Plan Approval Process	Plan Approving authority
1	Perspective plan	State Government
2	Regional Plan	State Government / Regional Development Authority/ Joint Planning Committee
3	Development Plan	Municipal Corporation/ Development Authority/ MPC
4	Annual Plan	Municipal Council/ Municipal Corporation/ Development Authority
5	Zonal Development Plan	Municipal Corporation/ Development Authority/ MPC
6	Urban Revitalisation Plan	Municipal Corporation/ Development Authority/ MPC
7	City Development Plan/ City Investment Plan)	As above
8	Comprehensive Mobility Plan	As above
9	City Sanitation Plan	As above
10	Projects/ Research	Municipal Corporation/ Development Authority/ MPC

43. The dichotomy between Tables 4 a and 4 b illustrate the widely different perceptions that exist even today, between the largely centralised approach contained in the Town and Country Planning Act 2016 and the various adaptive approaches to urban planning envisaged through various schemes and guidelines. This creates plenty of scope for confusion and lack of

coordination. In order to avoid the tendency to take up these planning exercises in an unrelated fashion, the following approach is suggested:

1. It is the State's responsibility to approve the perspective plan covering the entire physical area of the State, including both rural and urban areas. We will not go into that process here, as it would be beyond the scope of this Committee. Suffice to say that no perspective plan can be prepared if the ground rules are not stated out in advance and that would be the State's responsibility. In this regard, since ULB reforms and governance improvement programmes are prerequisites for good planning and development actions, the State Government may bring out a Charter of Urban reforms and Urban Governance Improvement Measures to be implemented within five years and these shall be a guide to sub-state level bodies entrusted with planning functions. To ensure that the Charter does not remain on paper, its implementation can be monitored regularly at the State level.
 2. Regional planning can be undertaken, keeping in mind the broad non-negotiable principles enunciated earlier, by the authority competent to do so. The Regional Plan would guide individual master plans for each LG within the region. The emphasis in the Regional Plan would be on recognising the potential for economic growth of the UA concerned and strategizing for reaching it. Considering the describe the physical, economic and social structure of the UA, the Regional Plan would focus on aspects such as the accommodation of population in the various zones, and the spatial disposition of social and economic infrastructure. This would lead it to plan for the general infrastructure for the area, leaving the specifics to more local level planning exercises described below.
 3. Every city, town and/or Panchayat within the UA may prepare detailed Master Plan within the broad framework of the Regional Plan. Whilst doing so, the Master Plan for each LG should not be developed as self-contained plans in isolation of each other. The broad character of the UA and its development goals should be important considerations. The Master Plan would then become the 'comprehensive long term development policy' for the LG, within the overall context of the urban agglomeration.
 4. The next level of detail would be the preparation of the CDPs. In those cities and towns where Master Plans have been completed, CDPs with 5 to 10 year perspectives could be prepared. However, a problem could arise in those cases where Master Plan are yet to be ready. It is suggested that in the interests of practicality, both CDPs and Master Plans could be prepared in parallel. It may even so happen that CDPs may be ready earlier¹³. In that case, CDPs could become the inputs for the Master Plan preparation.
44. We are aware that the above modalities would require a significant relook at the planning processes contained in the Town and Country Planning Act. While it would be beyond the scope of the Working Group to suggest detailed amendments, we suggest that the planning activities envisaged in the Town and Country Planning Act is slotted into the broad framework described above, so as to simplify and rationalise the different processes of planning envisaged.

¹³ CDP is prepared mostly with secondary data and therefore can be prepared within 3 to 4 months

Rationalisation of the Institutional Mechanism for Urban Planning

45. While in the previous section we elaborated upon the relationships between different facets of planning, we also stress that to prevent confusion, institutional rationalisation is required. In doing so, the fundamental principle to be followed is that there ought not to be a multiplicity of institutions functioning at the same level, with overlapping functions. The 74th Amendment's mandate that planning functions ought to be the responsibility of the Metropolitan Planning Committee and District Planning Committees should be put into action during the Thirteenth Plan. In order to achieve this objective, the following recommendations are made:

Institutions at the Regional Level

46. The District Planning Committees have so far had no substantive role to play in Master Planning and other aspects of spatial planning. The 'planning' they do, through the Integrated District Development Plan (IDDP) and the Local Development Plans (LDP) for every LG in the district is largely 'budgeting', namely, approval of projects and allocation of budgets to them. The provisions of Article 243ZD of the Constitution empowers the DPC to prepare plans for the sharing of resources and dealing with the common interests of the Panchayats and Municipalities in the District concerned. Keeping spatial planning outside the DPC's scope is therefore un-justified. DPCs should therefore be given a formal overarching role in approving spatial plans. This will enable linking the spatial plans with the IDDP and the LDP.
47. To integrate the IDDP process with the spatial planning process, the provisions that enable Joint Area Planning in the Town and Country Planning Act¹⁴ may be linked with the DPC provisions under the LSGI Act through suitable amendments to legal provisions. If done, the IDDP would become the overall economic development guidance document, because it would identify development issues and work out strategies for achieving them. This in turn would not only become the framework within which each LG would prepare its draft LDP, but also guide the preparation of regional plans and master plans and be guided in turn by the spatial aspects of the latter. The process of preparing these plans with frequent inter-disciplinary consultation would have the effect of ensuring that the economic and spatial dimensions are integrated as envisaged.
48. If the DPC mandate is expanded in this manner, it would be able to better undertake its current task of budgeting (which is also considered in normal parlance to be 'planning'), but also undertake strategic planning, outcome based planning, social planning, and energy planning, whilst also dovetailing these approaches into environment planning and spatial planning.

¹⁴ Joint Committees are to be notified under section 42 of the Kerala Town and Country Planning Act, 2016.

49. Thiruvananthapuram City Region and Kochi City region may be declared as Metropolitan Areas and MPCs may be set up for these two metropolitan areas. Apart from the obvious benefits of setting up this potentially powerful body to trigger and coordinate regional planning, the setting up of the MPC will enable a formal space for the participation of important, land occupying services such as airports, railways and ports that come under the domain of the Central government, to participate in the regional planning exercise.
50. In order to perform these larger mandates effectively, the DPC and the MPC will need to tap into the skills of a wide variety of experts. For this purpose it may be empowered to constitute Planning Advisory Council comprising experts from various fields and also to form task forces for different sectors as required.

Institutional Arrangements at the LG Level

51. Though the Kerala Municipality Act, 1994 positions Municipalities and Corporations as LGs and empowers them to coordinate with other government departments and organisations, this does not happen in practice. The State should issue specific orders evoking the provisions of the Municipal Act to empower City Corporations and Municipalities to act as City Managers and Development Coordinators. All infrastructure and other development programmes proposed within the city area shall be with the knowledge of the City Governments and there shall be a Development Coordinating Committee for every city. In this regard, the continuance of Urban Development Authorities (UDAs) sticks out like a sore thumb. These institutions have no role as independent entities after the 73rd and 74th amendments. The solution has been staring us in the face for a long time, but we avert our eyes from it. UDAs need to be merged with the relevant Corporations and continued as technical support facilities under the latter.

Dealing with a Constantly Changing Ground Situation and Taking Some Tough Choices

52. Yet, even as all this is planned, urbanisation in Kerala is likely to continue at a scorching pace. There is no time to wait till sophisticated plans are developed. Therefore, first, the time period to prepare master plans needs to be curtailed drastically – to two years. This would be possible by using technology – geographic information system (GIS), GPS, remote sensing, geo-informatics etc. Master Planning process and the contents have to be subjected to review and revision, if required, especially to remove the present deficiencies and to incorporate innovative concepts and approaches. Moreover, given the financing and capacity constraints of LGs, it is prudent to focus on strategic aspects of urban planning rather than land use detailing. The planning process also needs to be participative, inclusive, and based on mixed use zoning. Further, in view of the difficulties in public acquisition of land, alternative land assembly mechanisms need to be explored for plan implementation.
53. Once that is recognised, the second step would be to delineate public transportation networks, along with provision of land for the same in the future; a model of transit oriented development. This would lay down the skeleton on which the muscles of commercial, institutional and residential activities are affixed, achieved through an integration of

transportation plans and land use plans. In doing so, priority must be had for the low and middle income groups, as they generate the bulk of residential needs.

54. The third important aspect on which Kerala has to take a stand is on promoting densification. There is no doubt that compact and high density cities enhance the potential of agglomeration economies and also reduces the cost of infrastructure development. This might be anathema to Kerala at present, because current urbanisation trends have been in the direction of low-density sprawls. Yet, in the foreseeable future, such development will lead to nearly unsurmountable problems in providing networked services such as water, sewerage, transport electricity and solid waste management. Such urbanisation will lay waste Kerala's delicate environment, already under severe stress due to uncontrolled urbanisation. Solutions may be costly, and beyond the financial capability of the State.

Participatory Planning for Spatial Aspects and Budgeting

55. The benefits of participatory planning are too obvious to be related in great detail. Through participatory planning, diverse groups and interests can engage together in negotiating a Plan and implementing it. This improves the relationship between the LGs and community and results in outcomes that are actually desired by the latter. The sense of ownership is also enhanced, which results in long term sustainability of the plan and its outcomes.
56. In the previous section, we focused largely on intertwining the spatial planning process with the IDP participatory planning process with which the State is familiar, since the peoples' planning campaign of the late nineties. Here, we would focus on the reforms required for streamlining the IDP approach. While Kerala's experience in participatory planning has been rich in rural areas, in urban areas the approach has been inexplicably conservative¹⁵. However, recent efforts to put in place intensive participatory processes through the constitution of Ayil Sabhas in urban neighbourhoods is reportedly showing promising results¹⁶. Besides, as the representative selected by the Ayil Sabha is a member of the Wards Committee, this has promoted a better representative character of the latter. The participatory process that is well grounded in rural areas could thus be adapted for urban participatory planning as well.
57. Yet, the Ayil Sabha approach may not entirely satisfy the requirements of public participation in urban areas. Two priority areas to be considered when attempting to enhance the quality of participation in planning. First, is the issue of enabling participation of groups that may tend to get left out of participatory processes. In Kerala, statistics show a high degree of participation of women in Grama Sabhas and Ayil Sabhas in rural areas; it is too early to judge whether the same dynamic plays out in urban areas as well. However, participatory opportunities will need to be consciously enhanced for enabling children, youth, the differently abled and the elderly.

¹⁵ It may be remembered that Kerala resisted and delayed the enactment of provisions for public participation in line with the framework circulated under the JNNURM.

¹⁶ The Ayil Sabhas have been constituted in 2016, one for every 50 houses. They promote participation at that level.

58. Stakeholders in urban areas cannot be merely defined and given participation opportunities on the basis of their urban residence; in fact, many stakeholders who are vital to a city's economic and social health, like migrants and commuters, may not live in the city at all. The large influx of migrants from other States with diverse linguistic and cultural backgrounds puts pressure on governance as well as civic amenities. Migrants also tend to commute between places of stay and work, and these need not be within the same UA. Similarly, commuters who travel daily to work in the city and contribute in its development are left out in Urban Planning and Decentralised Urban Governance. Furthermore, because they leave early and return late, their participation in planning and decentralized governance of the locality where they reside is also of a low order. The question would be how to elicit their participation as well, and particularly, their participation into the spatial planning effort. It would be necessary to invest in new mechanisms of participation to bring in such groups. This would include the use of FM radio, TV, social media, online elicitation of preferences and choices, special discussions for interest groups, and deliberative democratic practices such as public jury based discussion, 21st century town hall meetings¹⁷ and peoples' parliaments. Kerala has also taken the lead in widening the scope of social audits, to cover services that have not traditionally been the subject of such scrutiny, such as treasuries and commercial tax check-posts. Such innovative approaches need to be extended to exploring and experimenting with new forms of deliberative consultation.
59. A key issue that needs detailed examination and resolution is the different models of participation envisaged in Kerala. On the one hand, we have a participatory budgeting model, which finds its statutory roots in the provisions of the Constitution, the various urban local government legislations and the guidelines for participatory 'planning' (i.e., in the budgeting sense) as published by the State Planning Board. On the other hand, the Kerala Town and Country Planning Act, 2016, while not prescribing a detailed model for participation, contains mandates that a Master Plan shall be prepared through a participatory process¹⁸. The law states that a statement of community involvement in the preparation, implementation and monitoring of the Master Plan shall be part of the Master Plan document. Furthermore, once the draft plan is ready and approved by the Municipal Council, the same shall be published, in such a way that all the stake holders have a chance to access the same, inviting objections/suggestions¹⁹ through filing or by being given an opportunity to be heard in person. The Municipal Council shall consider all such objection/suggestions and may modify the Plan, to the extent required, before finally approving the Plan. Since no reference is made in the Town and Country Planning Act to the participatory budgeting processes that the State Planning Board leads, there is scope for different interpretations on the roles of different stakeholders. For instance, while the thrust of those who argue for decentralised planning is that the DPC becomes central to the process, the town and country planning department envisages that the DPC is one amongst many stakeholders that can offer its remarks on the draft master plan. Such discordance between the Planning Board mandated participatory

¹⁷ Used effectively for the participatory planning process undertaken before rebuilding new Orleans following Hurricane Katrina

¹⁸ Section 34 of the Act

¹⁹ Section 36(4) of the Act

process and the Town and Country Planning Act model, could, if it continues, set at naught the entire approach towards integrated planning. We suggest that a resolution of such issues be urgently undertaken. The way to do it would be to translate the two approaches into workflows and then compare the workflows to create inter-linkages, while simultaneously doing away with duplication of processes. Following the design of a mutually agreed upon workflow, it is necessary to incorporate these into statutory provisions or rules, so that there is no confusion between participatory budgeting and participatory spatial planning.

60. Having said that, in spirit, the Town and Country Planning Act is not against participation. It recognises that since Master Plans are total plans for the planning area, involvement of all stake holders is essential for its preparation. The Local Government concerned may therefore, adopt various modes by which effective community involvement is ensured in the plan preparation exercise. Community participation for the master plan can be dovetailed into existing processes for participatory budgeting, as also other activities such as the primary surveys, development seminars. Line departments can be involved through the working groups, which in any case, studies the present situation, gaps, issues and potential in detail whilst undertaking participatory budgeting.

Sticking to Timelines

61. One of the key aspects of streamlining the process of participatory planning, is to ensure that it happens in a timely manner. Over the years, layers of bureaucracy have tended to bring in a large measure of centralisation and scrutiny over the planning process, thus delaying it. Such delays can dampen the spirit of participation amongst people. Since we are speaking of several planning processes integrating into one interlocking system, it is necessary to prepare a calendar of events that links the spatial planning processes and the IDP processes. This might take some consultation and due to lack of time, this working group has not attempted to do this ourselves. We suggest that the State Planning Board takes the lead in designing and disseminating a well prepared calendar of events, which links the two. Regard will need to be had to the different time frames for each of these processes, while linking the two.

CHAPTER 3
CAPACITY DEVELOPMENT

62. Capacity Development in the meaningful sense of the term is to equip the institution concerned with the technical skills and the human resources required to perform their tasks better. However, whenever one discusses the subject of Capacity Development, the first, and often the only thing that comes to mind is to accuse the LGs of lacking capacity, and then conducting training programmes for elected members by giving out broad homilies. We propose to address the deficiencies in capacity from a perspective much broader than the imparting of training.

Strengthening of Human Resources in the Urban Sector

Augmenting the HR Resources of LGs

63. Given the rapid spread of urbanisation, the HR capacity of Urban LGs has to be strengthened on priority to ensure that sufficient skills and expertise are available to meet the challenges of future administration. There is a great dearth of professionals and cutting edge level functionaries for all urban development, management and governance needs; for instance, civil engineers with good infrastructure background, environmental engineers for waste management, operation and maintenance, finance and accounts managers, IT/Ies/ E governance teams and many other disciplines where urban local bodies/parastatals are ill equipped to deal with their functions. The bald truth is that if the State Government does not allow LGs to recruit their own staff and also does not recruit enough qualified people and place them with the latter, then it is the State that is to blame for the lack of capacity, not the LGs. We have already recommended the merger of the UDAs with the City Corporations concerned. This step would immediately augment the technical capacity of the ULB and also do away with the crowded institutional space at that level.

64. Currently, LGs draw their staff from two departments in the government. The administrative and other staff are drawn from the Directorate of Urban Affairs (DUA)²⁰; the engineers from the Chief Engineer LSGD department²¹. there is an immediate need to undertake a

²⁰ These comprise of 1895 employees in the six corporations and 1982 employees in the 87 municipalities.

²¹ Details are as follows:

Designation	Sanctioned	Remarks
Corporation Engineer / Superintendent Engineer	5	Higher expertise and experience
Executive Engineer	17	
Asst. Executive Engineer	45	
Asst. Engineer	143	
Total	210	
Overseer Gr I	205	Field execution skills are higher
Overseer Gr II	163	
Overseer Gr III	289	
Total	657	
Grand Total	867	

comprehensive study of the HR requirements of Urban LGs and propose strategies to close the gap in organisational capacities. Whilst doing so, the existing staffing pattern for Corporations and Municipalities(Grade I, II and III) will need to be reworked, taking into account the need for appoint specialized and qualified personnel to meet the current needs of accounts maintenance, finance, public health, legal services and IT based services.

Augmenting the HR Resources of the Town and Country Planning Department

65. In addition, there is an urgent need to strengthen the capacities of the State Department of Town and Country Planning and the ULBs. As per the TCPO Guidelines one planner is require for every 14000 population. To meet this requirement will mean the recruitment of qualified staff into the Town Planning Cadre and training them in the new practices and techniques proposed. An estimate of the numbers of staff required for Metropolitan areas and other cities is given in Box 4. If sufficient numbers of spatial planners are not available, it would not be possible for all towns in the States to have master plans within the Thirteenth Plan period.

Box 4 Staffing requirements to address the mandate of spatial planning in Metropolitan and other city areas

For Metropolitan Area	
Designation	Number
Chief Town Planner	1
Additional Chief Town Planner	1
Senior Town Planner	3
Associate Planner	6
Assistant Planner	12
Total	23
For Other Towns:	
Designation	Number
Chief Town Planner	1
Senior Town Planner	1
Associate Planner	2
Assistant Planner	6
Total	10

Source URDPFI Guidelines, 2014

66. While Box 4 details the ideal situation, it is proposed that, to begin with, one Spatial Planner each in the rank of a Senior Town Planner can be engaged in all Municipal Corporations and in the rank of a Town Planner in all Grade I Municipalities, and District Head Quarter Municipalities. Necessary action for this shall be initiated as early as possible. Simultaneously, a detailed analysis of the staffing requirement for spatial planning has to be done and resources made available for the same.

67. An important aspect of capacity development within the Town and Country Planning Department is the need to go beyond the conventional city spatial planning expertise to include wider talents. Social scientists, urban designers, transportation planners, energy planners and conservation architects have to be brought into the spatial planning process.

This will have to be thought through when the organisational reforms of the Town and Country Planning Department is taken up.

Training and Skill Development

68. Another deficiency in capacity is that the existing staff do not have the requisite skills for projectisation of approved proposals. This has led to a high dependency of LGs upon external agencies and Consultants for DPR preparation and implementation of projects. Engineering team of LGs ought to be better equipped to undertake these core tasks and accept accountability for time bound project execution. One impediment is that many of the engineering staff have a background in conventional civil engineering and are nor conversant with specialised skills such as environmental engineering, new developments in design and planning and a host of other new specialisations. Most have not undergone in-service training to update their skills and learn more about emerging new technologies in areas such as solid waste and liquid waste management. These are major contributors to delays and the inevitable piling up of unspent, allocated funds at the end of the fiscal year. Besides, when the department is besieged with projects in large numbers for vetting, the quality of vetting deteriorates. A short term measure would be to put in place systems by which ULBs can obtain consultancy support for the preparation and projectisation of proposals, which covers preparation of DPRs, its implementation and monitoring. Furthermore, special attention should be given to a special training programme to update and upgrade the skills of the available 500 in-service Engineers and 1100 Overseers for preparing DPRs and managing the technical aspects relating to public works. In order to ensure that staff are motivated to attend training programmes and assume responsibility for in-house activities, measures must be put in place to enhance HR performance. The state may consider awarding performance based incentives to the staff to keep them motivated to efficiently achieve performance targets
69. There are 3536 Councillors elected to ULBs in Kerala. To galvanise peoples' participation, the same training system that was used for the people's planning campaign in 1996 ought to be renewed and relaunched. That approach was never repeated with the same intensity since then. Dissemination of documented good practices from other states and countries would inspire and motivate elected representatives and officials.
70. Since multiple agencies would be involved in the training effort, it would be useful to position KILA as the coordinator of all training and capacity building activities. For this purpose, KILA will need to be strengthened by human and financial resources. KILA may also explore the possibility of collaborating with premier institutions like IITs and IIMs in India and abroad, not only to upgrade its own skills, but also to contribute to the pool of knowledge on participatory planning.

Curing the Dearth of Studies

71. Even though urbanisation has galloped, little knowledge has been created on urbanisation and its implications for the state. This means that crucial decisions relating to urban master plans are based on outdated and inadequate assessments. To facilitate solutions based on research

and consultation instead of impressions based on anecdotal evidence, a research programme that contains topics of research relating to various dimensions of urbanisation and its implications on urban planning and urban governance should be readied and research institutions encouraged to take up such studies. Going beyond averages that can obscure the needs of outliers such as the poorest of the poor and looking at frequency distribution would give a better idea of the extent and nature of benefits and deprivations, relating to the focus area for research.

Improving Databases

72. There is a need to improve databases across the board, with respect to all aspects of urban development. Whilst some of the areas where databases have to be improved readily select themselves – such as improving the public disclosure of the accounts of LGs, other data gaps are not so obvious. For example, reliable information on the quantum, nature and settlement patterns of in-migration are necessary to make alternative population projections for each urban area and factor these into urban planning and implementation of programmes and projects. Similarly, injecting a meaningful gender perspective into urban policy making can happen only if sex-disaggregated data is available. There is also a need to understand how LGs spend public funds for children, through appropriate budget analysis.

Land Mapping

73. One of the major data gaps that hampers quality local planning is that LGs do not have a good knowledge of stock of land. The high values of land all over Kerala, scarcely different in rural or urban areas, the undulating terrain, the dense habitation and tree cover makes land surveying in Kerala an imperative measure, for better spatial planning in future.
74. Whilst completing land surveys across the state is important, we suggest that cities, towns and urban agglomerations are prioritised for carrying out accurate land surveys, to prepare GIS based cadastral maps and cadastral registers. These should be put into the public domain and ULBs encouraged to use these transparently, not only for efficient planning, but also for enforcement of regulations, building permit approvals, property tax levy and collection and urban land management. This will call for technological upgradation both in the process and skill levels of survey and town planning staff.
75. Independent of the cadastral surveys of individual properties being carried on, GIS based conversion of spatial maps with proper coding and laying down of road networks and location of municipal assets could be put on the fast track, through setting up a Kerala Urban Information System(KUIS). This activity could be anchored by CESS, IKM or KSUDP under the Directorate of Urban Development or Kerala Town and country Planning department. This will address the data deficits for city planning. It will also enable better service delivery by utilities if their independent GIS systems are integrated, transportation system and traffic management, tax collection and also enable citizens to make more informed decisions on locating and improving civic amenities such as schools, hospitals and shopping centres.

CHAPTER 4
FINANCING OF URBAN DEVELOPMENT

76. The financing of urban development is a can of worms for several reasons. Some of these are fundamentally structural. First, if many urbanised areas are not statutorily declared as urban, then the span of reforms required to streamline the financial system for urban development would need to go beyond the conventional sources of urban funding – they would need to look at funding sources that are de-jure meant for rural areas but which are primarily spent in an urban area²². Second, even within statutory urban areas, the LGs do not have exclusive jurisdiction over many urban services to the level where we can assume that examining LG budgets would suffice to determine the extent of funding with precision. Funding for urban development and urban services are fragmented between several agencies apart from LGs. These include not only powerful parastatals such as the Urban Development Authorities, The Kerala State Water Authority, but also Central agencies such as the Railways, National Highways authority and the National Airports authority. It is also often not known that many urban services are delivered by LGs that have primary responsibility for rural areas. For example, District Hospitals, often located in urban premises, are vested with and operated by the District Panchayat, whose jurisdiction is over the rural areas of the district. Besides, given that urbanisation is proceeding at a rapid pace and the resources needed to meet its challenges are of a high order, the priority on streamlining finances is high.
77. The Government of Kerala has announced the Nava Kerala Mission in November 2016, which aims to address problems faced in the sectors of health, education, agriculture and housing with the help and involvement of local governments. These four thrust areas are ‘Haritha Keralam, which envisages waste management programmes, sanitation schemes, projects for preserving water sources, agriculture development and promotion of organic farming, Aardram, which is to improving facilities in government hospitals and provide health care at a reasonable cost, Life, under which homes are to be built for an estimated 4.32 lakh families in Kerala who do own any land or houses and the Comprehensive Educational Rejuvenation Programme, which is to strengthen Kerala’s public education system of Kerala through, amongst other initiatives, by developing about a 1000 schools to international standards. These missions are ambitious and will require not only social mobilization, but also a high degree of financial resources. However, these are critical in Kerala’s endeavour to build inclusive, sustainable cities and human habitats. These missions we hope, will provide the impetus to better coordinating multi level planning and also mobilise resources going beyond the State budget.
78. Funding for urban development comes from five sources as detailed in Box 5:

²² A good example is the funding for NREGA spent by Grama Panchayats that are ‘census towns’.

Box 5: *Abstract of Funding Sources to various entities for urban development*

Funding source	Local Government (Municipality, City Corporation, Panchayat etc.)	Parastatals			
		State Government (UDAs, Water Authority, etc.)	Union Government (Railways, Airports Authority, National Highways Authority, etc.)	Private Sector	
Inter-governmental fiscal transfers	(A) Central Finance Commission transfers, State Finance Commission Transfers	✓			
	(B) Schemes and programmes	✓	✓		
	(C) Loans, bonds, other forms of borrowing and debt financing	✓	✓	✓	✓
	(D) Own revenues	✓	✓	✓	✓
	(E) PPPs	✓	✓	✓	✓

79. Each of these sources will need to be leveraged to the maximum extent, but without overlapping so as to ensure efficient expenditure. We look at each of the potential of each of these in detail below. In doing so, we have looked at each of the forms of funding and how they will impinge upon the four types of institutions involved. However, except for flagging the issue so as to not lose sight of it, we have not gone into the funding aspects of Central Parastatals and the Private Sector in great detail, because that would be outside the scope of this Working Group.

Category A: Intergovernmental Fiscal Transfers, Central and State Finance Commission Transfers

80. This is a source that goes only to LGs and both the quantum of funding and the manner of transfer is laid down in detail in Union government and State government guidelines. The Union Finance Commission grants²³ come with conditionalities that are contained in the report of the 14th Finance Commission, with the specific directive that no more conditions ought to be imposed by any level on these grants²⁴. Furthermore, transfers are to reach the local governments without delay or diversion, within a period of five days from the date of crediting the same to the consolidated fund of the State Government. We urge that these

²³ There could be two views; whether these are considered as grants or as revenue shares from the central divisible pool to the local governments. However, the 14th Finance Commission has made it clear that the funding will be considered as ‘Grants’ rather than as ‘revenue shares’, even though in practice, they operate more as revenue shares rather than grants.

²⁴ The FFC has stipulated that the basic grant for ULBs will be divided into tier-wise shares and distributed across each tier, using the formula given by the most recent SFC, whose recommendations have been accepted.

stipulations ought to be followed strictly and no further conditions ought to be imposed by the State.

81. Furthermore the Union Finance Commission has enabled that 10 percent of the grants would be given in the form of performance grants. It has stipulated that a detailed procedure for the disbursement of the performance grant to ULBs would have to be designed by the State Government concerned, subject to certain eligibility criteria²⁵. We suggest that the State Government issues detailed guidelines regarding the same, disseminate them and attend to clarifications, so that no funds are lapsed on this account. It may be noted that the performance grants are open to be drawn from 2016-17 onwards.

Category B: Intergovernmental Fiscal Transfers; Schemes and Programmes

82. There are a plethora of specific purpose schemes and programmes that are implemented in urbanized areas. These schemes include both State Schemes and Centrally Sponsored Schemes²⁶. Furthermore, they include not only the schemes and programmes that are implemented by various departments and parastatals in statutory areas, but also those that are implemented by rural entities in census towns and parts of urban agglomerations that continue to be governed as Grama Panchayats. Due to paucity of time, this Working Group did not look into the latter programmes. The details of the allocation and expenditure pattern relating to the former schemes are given in Table 5.

Table 5: *Details of Outlays and Expenditure for Urban Development Schemes during the 12th Plan Period in rupees lakh*

Sl. No	Major Head/ Minor Heads of Development (Scheme-wise)	Total during 2012-13 to 2016-17		
		Outlay	Expenditure	%
I. Urban Affairs Department				
1	Establishment of Modern slaughter Houses in Urban areas	9500.00	645.55	6.80
2	Ayyankali Urban Employment Guarantee scheme	7716.00	1893.01	24.53
3	Establishment of Gas Crematorium in Urb Areas	2110.00	97.85	4.64
4	Construction of Night Shelter in Urban Areas	210.00	76.05	36.21
5	Computerisation and e-Governance initiatives in Directorate of Urban Affairs.	140.00	43.34	30.96
6	Implementation of priority schemes under the Kerala Perspective Plan 2030(KPP 2030)	100.00	0.00	0.00

²⁵ These are stated out by the FFC to be as follows: (a) the ULB will have to submit audited annual accounts that relate to a year not earlier than two years preceding the year in which it seeks to claim the performance grant. (b) It will have to show an increase in own revenues over the preceding year, as reflected in these audited accounts and no other basis. (c) it must publish the service level benchmarks relating to basic urban services each year for the period of the award and make it publically available. (d) In case some amount of the performance grant remains after disbursement to the eligible ULBs, the undisbursed amount should be distributed on an equitable basis among all the eligible urban local bodies that had fulfilled the conditions for getting the performance grant.

²⁶ For the latter, there are conditionalities relating to State Share as well.

7	Capacity Building and Training for Officials of Urban Affairs Department	94.00	39.00	41.49
8	Formulation of PPP cells in Urban Affairs Dept.	65.00	92.11	141.71
9	Infrastructure Development cell	52.00	41.07	78.98
10	Non-Motorised Urban conveyance initiatives	40.00	20.00	50.00
Total – Urban Affairs Department ²⁷		20027.00	2947.98	14.72
II. Department of Town and Country Planning				
1	Scheme for preparing Master plans and detailed town plans	970.00	561.72	57.91
2	Computerisation and Modernisation of Town & Country Planning Department	445.00	293.66	65.99
3	Research and Development in selected Aspects of Human Settlement planning and Development	274.00	76.51	27.92
4	Preparation of Local Development Plans, Integrated District Development Plans and State Perspective Plan	215.00	97.00	45.12
5	Geographical Information System and Aerial Mapping	66.00	27.90	42.27
6	Training of personnel and Apprentices in Town and Country Planning	66.00	27.49	41.65
7	State Urban Information System (SUIS)	58.00	12.13	20.91
8	The Art & Heritage Commission	50.00	20.51	41.02
9	National Urban Information System(NUIS (CSS))	13.00	0.00	0.00
10	Provision of urban amenities in Rural Areas (PURA) (CSS)	8.00	0.00	0.00
Total – Department of Town and Country Planning		2165.00	1116.92	51.59
III. The KSUDP				
1	Transition phase of JnNURM (50% state share) (CSS)	159964.00	27553.56	17.22
2	Kerala Sustainable Urban Development Project(EAP)	95800.00	27148.40	28.34
3	Urban infrastructure development scheme for small & medium towns (UIDSSMT) (CSS)	47625.00	4251.84	8.93
4	Atal Mission for Rejuvenation and Urban Transformation(AMRUT) (40%State Share) (CSS)	9070.00	0.00	0.00
5	Smart Cities Mission(40% State Share) (CSS)	6080.00	0.00	0.00
6	Capital Region Development Programme	1204.00	3486.99	289.62
Total – KSUDP Schemes		319743.00	62440.79	19.53
IV. Kudumbashree				
1	Basic Services to Urban Poor(BSUP)(50% State Share) (CSS)	21312.00	8599.67	40.35
2	Integrated Housing and Slum Development Programme(IHSDP)(50% State Share) (CSS)	15345.00	3114.62	20.30
3	Rajiv Awaz Yojana(RAY) (CSS)	14040.00	1629.58	11.61
4	Pradan Mantri Awaz Yojana(PMAY)(40% State Share) (CSS)	10000.00	0.00	0.00
5	National Urban Livelihood Mission(NULM) (CSS)	5255.00	419.24	7.98

²⁷ In addition to the above schemes, for three new schemes announced, namely, hostel facilities for women in urban areas, construction of parks at beaches and heritage places and establishment of modern indoor markets, no fund allocations were made in 2016-17

Total – Kudumbashree		65952.00	13763.11	20.87
V. Suchitwa Mission				
1	Waste management scheme for Urban Areas	13210.00	4432.60	33.55
2	Swachh Bharat Mission (40%State Share) (CSS)	5639.67	0.00	0.00
3	Integrated low cost sanitation programme in urban areas-value addition state scheme	261.00	61.00	23.37
Total- Suchitwa Mission		19110.67	4493.60	23.51
VI. Others				
1	Development Authorities - TRIDA , GCDA, Trissur Development Authority ,Calicut Development Authority and Kollam Development Authority ²⁸	15025.00	4401.94	29.30
2	Kerala Urban and Rural Development Finance Corporation (KURDFC) SWACHH BHAVANAM)	892.00	640.00	71.75
3	Loans to Kerala Urban and Rural Development Finance Corporation (KURDFC)	0.00	2500.00	
4	Waste management scheme	0.00	817.28	
5	Assistance to Attukal Development Project	0.00	657.70	
6	Investors meet for the development of infrastructure facilities in ULB'S	0.00	166.58	
7	Kodimatha Mobility hub at Kottayam	0.00	105.00	
8	Construction of mobility hubs	0.00	29.99	
9	Share capital contribution to Company providing Urban Sanitation(CIAL Pattern)	0.00	4.99	
10	Commercial projects of LSGI'S	0.00	0.00	
11	Central and state scheme(beneficiary gap fund)	0.00	0.00	
Total - Others		15917.00	9323.48	58.58

83. An abstract of the following is given in Table 7 below:

²⁸ The break up of these allocations to UDAs are as follows:

Sl.	UDA	Total during 12-13 to 16-17		
		Outlay	Expdr	%
1	TRIDA	8400.00	2304.76	27.44
2	GCDA	1825.00	497.02	27.23
3	Calicut Development Authority	1800.00	506.51	28.14
4	Trissur Development Authority	1500.00	502.83	33.52
5	Kollam Development Authority	1500.00	540.82	36.05
	Total	15025.00	3826.64	25.47

Table 7: *Abstract of funding in urban areas during the 12th Plan Period*

Sl.No	Department/ Mission/ Programme	No of schemes	Total during 2012-13 to 2016-17		
			Outlay	Expdr	%
I	Urban Affairs Department	13	20027.00	2947.98	14.72
II	Town and Country Planning Department	10	2165.00	1116.92	51.59
III	KSUDP	6	319743.00	62440.79	19.53
IV	Kudumbashree	5	65952.00	13763.11	20.87
V	Suchitwa Mission	3	19110.67	4493.60	23.51
VI	Others	11	15917.00	9323.48	58.58
Grand Total		48	442914.67	94085.88	21.24

84. Table 8 gives the break up of these 48 schemes in terms of whether they are CSSs or fully funded by the State:

Table 8: *Scheme break up between CSSs and State Schemes in rupees lakh*

Sl	Details of Scheme	Total during 2012-13 to 2016-17		
		Outlay	Expenditure	%
Centrally Sponsored Schemes, including Externally Aided Programmes				
1	Transition phase of JnNURM (50% state share)	159964.00	27553.56	17.22
2	Kerala Sustainable Urban Development Project(EAP)	95800.00	27148.40	28.34
3	Urban infrastructure development scheme for small & medium towns (UIDSSMT)	47625.00	4251.84	8.93
4	Basic Services to Urban Poor(BSUP)(50% State Share)	21312.00	8599.67	40.35
5	Integrated Housing and Slum Development Programme(IHSDP)(50% State Share) (CSS)	15345.00	3114.62	20.30
6	Rajiv Awaz Yojana(RAY)	14040.00	1629.58	11.61
7	Pradan Mantri Awas Yojana(PMAY)(40% State Share)	10000.00	0.00	0.00
8	Atal Mission for Rejuvenation and Urban Transformation(AMRUT) (40%State Share)	9070.00	0.00	0.00
9	Smart Cities Mission(40% State Share)	6080.00	0.00	0.00
10	Swachh Bharat Mission (40%State Share)	5639.67	0.00	0.00
11	National Urban Livelihood Mission(NULM)	5255.00	419.24	7.98
12	National Urban Information System(NUIS)	13.00	0.00	0.00
13	Provision of urban amenities in Rural Areas (PURA)	8.00	0.00	0.00
Total for CSSs and EAPs		390151.67	72716.91	18.64
State Schemes				
1	Development Authorities	15025.00	4401.94	29.30
2	Waste management scheme for Urban Areas	13210.00	4432.60	33.55
3	Establishment of Modern slaughter Houses in Urban areas	9500.00	645.55	6.80
4	Ayyankali Urban Employment Guarantee scheme	7716.00	1893.01	24.53
5	Establishment of Gas Crematorium in Urb Areas	2110.00	97.85	4.64
6	Capital Region Development Programme	1204.00	3486.99	289.62

7	Scheme for preparing Master plans and detailed town plans	970.00	561.72	57.91
8	Kerala Urban and Rural Development Finance Corporation (KURDFC) SWACHH BHAVANAM)	892.00	640.00	71.75
9	Computerisation and Modernisation of Town & Country Planning Department	445.00	293.66	65.99
10	Research and Development in selected Aspects of Human Settlement planning and Development	274.00	76.51	27.92
11	Integrated low cost sanitation programme in urban areas-value addition state scheme	261.00	61.00	23.37
12	Preparation of Local Development Plans, Integrated District Development Plans and State Perspective Plan	215.00	97.00	45.12
13	Construction of Night Shelter in Urban Areas	210.00	76.05	36.21
14	Computerisation and e-Governance initiatives in Directorate of Urban Affairs.	140.00	43.34	30.96
15	Implementation of priority schemes under the Kerala Perspective Plan 2030(KPP 2030)	100.00	0.00	0.00
16	Capacity Building and Training for Officials of Urban Affairs Department	94.00	39.00	41.49
17	Geographical Information System and Aerial Mapping	66.00	27.90	42.27
18	Training of personnel and Apprentices in Town and Country Planning	66.00	27.49	41.65
19	Formulation of PPP cells in Urban Affairs Dept.	65.00	92.11	141.71
20	State Urban Information System (SUIS)	58.00	12.13	20.91
21	Infrastructure Development cell	52.00	41.07	78.98
22	The Art & Heritage Commission	50.00	20.51	41.02
23	Non-Motorised Urban conveyance initiatives	40.00	20.00	50.00
24	Loans to Kerala Urban and Rural Development Finance Corporation (KURDFC)	0.00	2500.00	
25	Waste management scheme	0.00	817.28	
26	Assistance to Attukal Development Project	0.00	657.70	
27	Investors meet for the development of infrastructure facilities in ULB'S	0.00	166.58	
28	Kodimatha Mobility hub at Kottayam	0.00	105.00	
29	Construction of mobility hubs	0.00	29.99	
30	Share capital contribution to Company providing Urban Sanitation(CIAL Pattern)	0.00	4.99	
31	Commercial projects of LSGI'S	0.00	0.00	
32	Central and state scheme(beneficiary gap fund)	0.00	0.00	
Total of State Sector Schemes		52763.00	21368.97	40.50

85. A perusal of Tables 6, 7 and 8 reveals that overall, the expenditure over allocations is poor. The situation seems at first sight to be more serious in the case of CSSs, where the overall expenditure is only 18.64 percent. This is very important, given that CSSs constitute 86.5 percent of the total allocations for urban development. Even discounting for the fact that programmes such as PMAY, AMRUT, Smart Cities and Swachh Bharat are relatively new

and project preparation is in the pipeline, there is no excuse for the State's poor performance in the drawing of funds under old and existing programmes. As far as State programmes are concerned, while the expenditure percentage is nearly double of that for CSSs, it is still poor; only 40 percent.

86. Another feature of the State's specific purpose grants for urban development, is that the money seems to be channelized largely through departments and missions, rather than through the LGs. This approach flies in the face of the State's commitment to democratic decentralisation and also fortifies the impression that over the years, decentralisation has taken a back seat in Kerala. One of the oft repeated justifications given for creeping centralisation is that departmental, or mission mode executions can reduce red tape and speed up implementation. From the figures given, this impression is comprehensively disproved. Kudumbashree, KSUDP and the Suchitwa Mission shows as poor a performance as any other mode. Clearly, the Mission Mode system has its own problems of red tape and bureaucracy, which cannot be glossed over.
87. Departmental performance is again revealed to be very poor. While again, in the blame game, LGs are singled out for criticism for slow decision making, there seems to be a bureaucratic gridlock in the departmental system that equally prevents quick and efficient project execution. One does not see how LGs can be blamed for poor expenditure in programmes for training and capacity development, computerisation and modernisation, and other departmental internal reforms. At the same time, it is interesting to note that a scheme for setting up a PPP cell in the Department of Urban Affairs, has incurred Rs. 92 lakhs expenditure against an allocation of Rs. 62 lakhs.
88. The State has to be better prepared institutionally and procedurally, if it wants to improve upon its dismal performance on urban development schemes during the 12th Plan. In general, there are delays in the current planning process due to multiple levels of clearance. This must be streamlined so as to enable the preparation of the Annual Plans by May of the Fiscal year concerned. It may also be useful if the number of projects taken up are reduced and each one given sufficient funds. We also suggest the following steps:
 1. The departmental and mission mode approach of the State is not yielding benefits. The assumptions that centralisation and mission mode approaches have inherent efficiency, stand disproved. The State needs to take a thorough look at the scheme pattern and approach it afresh, using the principle of subsidiarity to assign schemes to local government. State programmes such as (a) Waste Management scheme, (b) Establishment of Modern slaughter Houses, (c) Ayyankali Urban Employment Guarantee Scheme, (d) Establishment of Gas Crematoria, (e) Integrated low cost sanitation programme and (f) Construction of Night Shelters need not be run departmentally and can be decentralised to the local level. These schemes can be transferred to the urban local governments and put into Annexure 4 of the State Budget. Obviously, as the funds would be spread very thin if given uniformly to all local governments, criteria may be put in place to ensure that all LGs are covered on a rotational basis, with universal coverage promised and achieved over a specified period of time.

2. Departments, once divested of the running of schemes that they should not be running at their levels according to the subsidiarity principle, can then focus on running those programmes that are best done at their levels. These including overarching facilitatory and ‘framework’ related programmes, such as improving databases, information systems, training and capacity development and speeding up the preparation and facilitation of master plans. Only of State Departments concentrate on strategic and overarching facilitation, instead of pretending to be local governments themselves, can we achieve a modicum of efficiency in implementation of schemes.
3. Third, wherever it is necessary that there should be oversight or technical approval of the proposals of the LGs, the number of bureaucratic levels that examine proposals should be reduced. Delegation orders should be liberalised and more matters left to the local level to resolve, or the number of levels dealing with approvals has to be significantly reduced. Fixing of time limits for the approval of plans and projects would also result in departments being held accountable for the lack of efficiency in their work.

Category C: Loans, Bonds, Other Forms of Borrowing and Debt Financing:

89. While raising loans for urban development demonstrates great potential, it is also risky. Capacity and viability are major constraints; not only smaller ULBs, but even larger ones with more assured sources of income find it difficult to take the municipal bond route to raise funds, as these are long term in nature and have a high issuance cost. For the LGs to tap bonds, Private equity and debt finance, they will need appropriate institutional mechanisms. State level pooling of the loan requirements of LGs could be a better way of enhancing credit flows to LGs. Pooling goes beyond raising funds through a single SPV that pools the requirements of a group of LGs, calculates the overall cost, estimates how much of this is to be raised from the market and then raises the same. It also cover the development of other lending instruments, such as capital fund, project development funds, credit rating enhancement fund and Grant funds.
90. Kerala has recently created the Kerala Infrastructure Investment Fund Board (KIIFB) with the objective of raising funds in the medium and long term to finance large urban sector investments in Transport, Water Sanitation, Energy, Social & Commercial Infrastructure, IT and Telecommunication. However, the KIIFB is unsuited to meet the smaller loan requirements of local governments, which range from Rs. 50 lakhs to Rs. 50 crores. For meeting that requirement, a more flexible Corpus fund²⁹ could be created, that can be leveraged many fold with the help of market borrowing.³⁰ This could be in the form of a financing intermediary or a development fund without relying much on the government

²⁹ As done by the Tamil Nadu Urban Development Fund.

³⁰ These include the Vizhinjam International Container Transhipment Terminal, Kochi Metro Project, Kochi Metro Extension, Thiruvananthapuram and Kozhikode Light Metro, Rapid Rail Transit System (RRTS), Thiruvananthapuram-Chengannur-First Phase, Kannur Intematinal Airport, Sustainable and Planned Effort to Ensure Infrastructure Development (SPEEID) Kerala Project-Road, Vytilla Mobility Hub Second Phase, etc. (<http://www.kiifb.kerala.gov.in/>)

budgetary support but with government guarantees. Apart from providing funding, this intermediary could improve the financial and managerial capacity of LGs to successfully implement such projects.

91. The Kerala Local Government Development Fund was floated in 2010 through an ordinance, as a permanent single-window lending and project development facility, mainly to address the development needs of LGs. The Kerala Urban and Rural Development Finance Corporation, a financing company registered under the company's act 1956, as the Fund manager of KLGDF. Other than lending money, the fund is equipped to offer professional support to civic bodies in preparing and executing projects. However, the ordinance was not legislated into an Act. We suggest the creation of a Kerala Local Government Development Fund through statute. The fund could be established as a trust, with shareholding of the Government of Kerala, Financial Institutions and local governments as well. The Kerala Urban and Rural Development Finance Corporation Ltd. (KURDFC), could be the fund manager for the KUDF. This would enable the Fund to provide non-lapsing allocations for capital works. The fund could also run a project Development Facility (PDF) for generating shelf of projects and build the capacity of all stakeholders concerned.

Enhancing Own Revenues of Local Governments

92. Own revenues of the LGs is quoted as having great potential for improvement, but a black mark against the State's relatively better record in democratic decentralisation, is the interference of the State in the revenue raising efforts of LGs. The State has on various occasions, turned down the decisions on the enhancement of property tax rates by LGs. The latest refusal of the State to enable LGs to raise taxes was as recent as in 2013. Even conceding that the State did not want to face adverse political consequences, the State's interference goes directly against its commitment to democratic decentralisation. If the State is committed, it should make it clear that the local accountability for raising taxes is that of the LG concerned; it is the latter that has to explain to its citizens why it is raising taxes and for what are these funds being used. The State should not interfere. At best, what the State could do is to actually operationalize something to which it committed, in order to receive performance Grants as recommended by the 13th Finance Commission. It may be recalled that one of the conditions of the 13th Finance Commission was that each State should set up an independent Property tax rate fixation authority, which would fix tariffs for different categories of buildings, relying on objective criteria. This was envisaged to remove arbitrariness in the fixation of property tax rates. Though Kerala committed to this condition and even issued orders establishing such an authority, it was not sincere about its implementation; the order has remained on paper. Therefore, either the State puts this authority into practice and fixes tariffs, or it does not interfere and issue overarching orders setting aside local government efforts to raise property taxes. What the State could do is to launch well designed facilitation training programmes and also awareness amongst the people that they empower themselves by paying property taxes to their LGs; this gives them the handle to hold the LGs to account for their expenditure, with greater force. We believe that there is great potential to raise property taxes by LGs and that source should not be under-utilised.

93. Apart from property tax reforms, there are other taxes that are either under-utilised, or not attempted at all. Tax on deficits in parking spaces in any non-residential building can partly offset the cost of providing public land for parking, as also incentivise owners of such buildings to provide internal parking. Vacant land tax can incentivise the development of such land or promote its sale to those who have the interest and financial strength to develop it. Given Kerala's robust services economy, a systematic approach to regulating advertisements and levying tax can yield substantial own revenues to LGs. We have already suggested a luxury tax on large, ostentatious buildings.

Capturing and Securing Benefit from Rising Land Values

94. One positive outcome of urbanization and urban growth is that it increases urban land values, and this potential needs to be socially harvested rather than only benefiting the private sector. This will require adopting a proactive urban land policy by using urban planning as a trigger to enable strategies to finance urban development. Value capture is seen as an effective way to link forward planning and land-use regulations, and serves to control land use, finance urban infrastructure, and generate additional local revenue. There is growing interest in land laws that can capture rising urban land values (through property and capital gains taxes) by governments for redistributive purposes³¹. Currently, because land development is the domain of UDAs, these sources have not been tapped well, nor have LGs been able to gain from these efforts. We have already recommended that the UDAs are merged with the LGs. Role clarity that the LGs are at the centre of urban development, will give a boost to innovative measures in raising resources from land.
95. So far, the conventional approach has been for the State to acquire land and then profit from developing it and transferring it through lease, or outright sale. However, such approaches run the risk of getting embroiled in litigation, and corruption, as influential forces attempt to distort, or obtain exceptions from land acquisition. There is a need to go in for land assembly mechanisms not relying on compulsory acquisition of land, which result in the same outcome of land development, could be adopted. Such measures are more consultative and involve land owners and obtaining their consent. These include Land Pooling and redistribution schemes, popularly known as Town Planning Schemes. Incentives for land owners to join in pooling and redistribution include providing Accommodation Reservation³², which enables

³¹ The concept of value capture has been used in parts of the US, Canada and Latin America. Colombia introduced a new tax law in 1997 (Law for Territorial Development) that set out several ways in which local authorities could participate in rising land values: property owners could negotiate a cash payment to the municipality, could pay in kind through transfer of part of the land, or could participate in the formation of an urban development partnership.

³² Which allows land owners to develop sites reserved for amenities in the development plan using full permissible Floor Space Index (FSI)/Floor Area Ratio (FAR) on the plot, subject to agreeing to entrust and hand over the built-up area of such amenity to the local authority free of all encumbrances and accept full FAR/FSI as compensation in lieu thereof. The area utilized for the amenity would not form part of FAR/FSI calculation. The Concept of Accommodation Reservation has been adopted by the Brihat Mumbai Mahanagar Palika.

the LG to promote the establishment of public service areas such as retail markets, dispensaries, etc. without acquiring land and paying compensation. Variations of this approach would also enable road widening, public utilities and creation of open spaces. Transferable Development Rights (TDRs)³³, which have been brought under the Town and Country planning act, can be used for redevelopment of inner city zones as tried out in several cities and States already³⁴, with the caution that safeguards be adopted to ensure that unbridled TDRs do not destroy the urban form. Guided Land Development could also be resorted to, under which infrastructure development guides urban development, without taking recourse to pooling. Whilst considering these possibilities, it goes without saying that increasing the intensity of land development (reflected by coverage and FAR/FSI) has to depend on many factors including geographical factors, carrying capacity of infrastructure in that area and climatic considerations.

96. While inclusive land development also can be a potential revenue raising strategy, we have dealt with it more fully whilst discussing housing for the poor.

Building an Expenditure Information Network:

97. One of the problems with a multiplicity of implementing agencies with concurrent and overlapping responsibilities budgeting, projectising and incurring expenditure in urban areas is that there is an overall lack of transparency in how budgets are determined and used. The Government follows hierarchical and multiple channels of allocation and funds release to implementing agencies and beneficiaries. Such multiple implementation channels place both the LGs and the citizens at a severe disadvantage, as they cannot track fund flows to beneficiaries or evaluate the performance of agencies based on their spending and project implementation³⁵. Furthermore, even government is hampered a great deal in policy making because it has access only to outlays released rather than outcomes achieved.
98. We suggest that an Expenditure Information Network (EIN) be established, which would enable effective monitoring, evaluation and accounting for funds released to multiple agencies. An EIN could help achieve the following objectives:
1. Monitoring scheme-wise release of funds and outcomes

³³ Which is not the same thing as Accommodation Reservation, because it provides for the area to not be governed by Zonal stipulations.

³⁴ Bengaluru, Chennai, Mumbai and Rajasthan

³⁵ A recent study in Karnataka on fund flows spent in Panchayats (The Paisa for Panchayats study of Accountability Initiative, 2016) showed that Gram Panchayats are unaware of the substantial expenditure incurred through schemes operated by line departments, parastatals, and even the ZP and TP, in their areas. They are unaware of the allocations, releases and expenditure under these schemes, within their geographic jurisdiction. Furthermore, not all departments maintain details of GP-wise expenditure. Many departments maintain and align their accounting and monitoring systems along department defined lines. Standardisation of expenditure capture, information reporting and technology does not exist – each department and sometimes each scheme within a department exist as isolated technology/information islands. When there is no information, there is no monitoring and therefore no accountability. There is no basis that exists currently, to hold any of the spending agencies accountable to the people through GramSabhas and Ward Sabhas, for their expenditure at the level of a GP.

2. Helping in budgeting, planning and decision making based on the evaluation of all plan schemes
 3. Maintaining time-series information related to each implementing agency, which will enable in evaluating performance
 4. Ensuring disbursal of funds to intended beneficiaries
 5. Ensuring timely disbursal of funds
 6. Reducing float of funds within the system
 7. Up-to-date and near real-time information on utilization of funds
 8. Monitoring of outcomes up to the last mile
 9. Transparency in disbursal and utilization of funds by making information available in public domain by way of a transparency portal
99. Such a system can be easily put in place if all departments are mandated to fill in a mandatory set of fields for every expense incurred, in the treasury accounting software. The mandated information would include a unique code for the village and habitation where the expense had been incurred. The code should be drawn from a standardised and authenticated official list, which maps all habitations to GPs and Municipalities. The locational field of the Municipality or the GP will get automatically populated once the habitation is selected by virtue of pre-existing mapping between habitation and GP/Municipality. All the agencies such as State bodies, district bodies, village panchayats, block level bodies, and beneficiaries could have access to EIN with appropriate access controls. These agencies can view the funds sanctioned for them and also update the status of utilization of funds by them. For greater transparency, citizens should also have access to a transparency portal and information from the ground can be crowd-sourced. All financial information made public through a transparency portal should be machine-readable and format-neutral. The EIN should enable easy download of data and reports to facilitate the evaluation of the impact of public expenditure.

Attempting a Projection of Financial Needs for Urban Development in the 13th Plan

100. The Working Group attempted to project the financial needs for Urban Development in the 13th Plan, but due to paucity of time and lack of sufficient data, could not successfully ascertain the requirement with reasonable detail. We therefore suggest that work should be continued by the Planning Board to project the financial requirements. This may also necessitate inputs from other working groups on infrastructure, housing and other relevant sectors. In making these projections, the following points need to be kept in mind:

1. The first step could be to determine the service level benchmarks to be achieved in the priority sectors for urban development³⁶. Pointers to the service delivery benchmarks

³⁶ A suggested list of priority sectors is as follows:

Sectors	Responsible Agencies
---------	----------------------

are available in several policy formulations of the Union government such as the CPHEEO/URDPFI guidelines, but the State could modify these to achieve higher quality of services, as desired.

2. Once done, the second step would be to assess the fund requirement for closing these gaps. In this regard, while a broad estimation could be undertaken on the lines of similar exercises³⁷, in ideal terms, a LG wise assessment of the (i) service level gaps, (ii) the projected physical demand, taking into account estimations of population growth and (iii) the financial demand for infrastructure, asset management and O&M will need to be undertaken.
3. This is to be followed by the third step, which would be to determine the various financial sources from where the funding requirement could be met and the extent of finances required from each. This will also necessitate estimating how much money can

A. URBAN PLANNING	1. ULB
a. Strategic/ Master Planning	2. Town and Country Planning dept
b. Rejuvenation of city area	
c. Urban Form – city/town re- densification	
d. Heritage Conservation	
B. URBAN INFRASTRUCTURE	1. ULB
a. Traffic and Transport – Intra & Inter-City connectivity	2. Town and Country Planning dept
b. Drinking Water Supply	3. KWA
c. Liquid and solid waste management	4. Irrigation Dept
d. Storm water drains	5. KSED
e. Street lighting	6. BSNL
f. Power	7. Tourism Dept
g. Telecommunication	8. Kudumbashree
h. Housing, including Renewal of slums	9. NGOs
i. Rejuvenation of Water bodies, Open spaces	
C. SOCIAL INFRASTRUCTURE – INCLUSIVE DEVELOPMENT	1. ULB
a. Health and Education	2. Health Dept
b. Safety and Security	3. Education Dept
c. Leisure and Entertainment	4. Cultural Affairs
D. LOCAL ECONOMIC DEVELOPMENT	1. ULB
a. Agriculture, Fisheries	2. Agriculture Dept
b. Commerce and Industry	3. Fisheries Dept
c. Construction	4. Labour Dept
d. Services Sector	
E. GOVERNANCE	1. ULB and DUA
a. Tax mapping and collection	
b. Government to Citizen services	
c. Capacity Building	
d. Revenue improvement and resource management	

³⁷ A similar exercise was undertaken in respect of rural local governments for the 13th Finance Commission by the Centre for Policy Research, New Delhi. The co-chair of this Working Group, T.R. Raghunandan led the team of consultants from the CPR. The report and working sheets for calculating the projections are available in the public domain and could be used as a guide for this purpose.

be drawn from Union and State programmes (including Central and State Finance commission grants) and then planning for closing the gap through additional resource mobilization, including enhancing own revenues of LGs, borrowing and other means of financing such as land based financing or PPPs.

4. The fourth step would be to have a broad year wise programme over the next five years, to implement projects for closing these gaps. In this regard, the 11 reforms mandated under AMRUT provides time frames for the several sectors³⁸. The thrust on energy efficiency, water audit, GIS based master plans, rain water harvesting, solar roof top for buildings, adoption of model building bye laws, credit rating and bond issues for ULGs, professionalization of municipal cadre cadre linked trainings, lung spaces for each city, digital transactions for ease and transparency, assessing the city's needs against set benchmarks, etc. are relevant solutions to most of the urban issues deliberated in the working group.

101. However, in doing so, we draw the attention of the Planning Board to some of the bottlenecks that we faced in obtaining data critical to make the above assessments. It is a matter of concern that the DUA does not have any assessment of the project or fund requirements for the 13th FYP. It sees its primary function as providing administrative and HR support to Urban LGs. Their role has so far been limited to formulating the department's annual plan every year. LGs are free to propose projects in line with the department's proposals and feasible projects are funded on a first come first serve basis. Furthermore, the State Planning Board only has data that is gleaned from the Annual Plan submissions of various departments. This only reveals scheme wise fund projections, but not at the granularity of each LG.

102. Obtaining LG wise details is also hampered by the fact that no assessments of funds requirement have been undertaken in respect of 27 newly notified Municipalities, which have been carved out of multiple Grama Panchayaths. In these cases, the process of data collection has to commence nearly from scratch. Due to the paucity of time, we suggest that between the DUA and the State Planning Board, a rapid baseline assessment may be conducted for a 15-20% sample of LGs across Corporations and Municipalities.

³⁸ The Corporations of Thiruvananthapuram, Kollam, Kochi, Thrissur, Kozhikode, Kannur and the Municipalities of Alappuzha, Guruvayoor, Palakkad are AMRUT cities and expected to achieve a set of mandatory reforms within the Mission Period (2015-2020).

CHAPTER 5
URBAN INFRASTRUCTURE

103. Since infrastructure is a wide area and may be considered sectorally by other Working Groups as well, we decided to concentrate only on those aspects of infrastructure development that have a direct bearing on urbanisation in Kerala. These include urban Transport and Housing. We have covered water supply along with liquid and solid waste management, under the section on services, even though they require investments in infrastructure.

Urban Transport

104. The relative better availability of urban like facilities in rural Kerala has led to a high level of commuting traffic in and out of urban areas. Besides, cities like Kochi have grown rapidly outwards, with little planning on the outer edges. Increasing prosperity has led to more cars being used; only 20 percent of Kerala's transportation is estimated to be through public transport, which is more or less the average proportion for India. This has led to severe congestion both in urban and rural areas. Road widening is near impossible due to the high cost of land and habitations crowding close to the road. The present transportation system in the state, evolved in a piece-meal fashion, has resulted by high operating costs, inefficiency and high accident risks. Even though traffic is intense in general, several places remain under-connected. The situation is likely to worsen in future due to the unrestricted preference for personal modes of transport. The daily transport demand is expected to grow from present 135 lakh trips to over 180 lakh passenger trips by 2025. This is not to speak of the increase in goods traffic as well, with increasing prosperity.

105. At first, we would suggest institutional means to ensure that transportation management is not fragmented between several agencies. A revitalised District Planning Committee and Metropolitan Planning Committee provide constitutionally mandated institutional mechanisms to ensure proper coordination/ The MPC is the only forum that provides a space for central, State and local agencies to plan and coordinate their actions together. While setting up District Level Transport Planning Authorities is an imperative, rather than creating a plethora of committees that results in problems of coordination it is best to concentrate these mechanisms into sub-committees of the DPC and MPC. One of the biggest problems in traffic management in urban areas is the lack of coordination between the Airports, authority, the railways, the State police and the Municipality or ULB concerned. This is best handled by bringing all these agencies into the sub-committees of the MPCA and DPCs. If the arithmetic of the Constitutional Mandate does not provide scope to make these agencies formally members of the DPCs, they could be permanent invitees to sub-committees for managing transportation related issues.

106. Confining ourselves to the transportation planning in urban areas alone, there are a number of options that are before us. While Metro services may be capital intensive, they make sense in the faster developing urban areas such as Kochi, where it is likely to provide faster, safer, comfortable, less polluting and fuel efficient services. Yet, Metros might be impractical at the moment for other urban agglomerations if the cost is considered. Investments in bus based

mass transit system would be a quicker and cost effective solution for other UAs. Even in Kochi, the time is ripe for integrating Metro services and BRTS to complement each other.

107. It is learnt that there has been a precipitous decline in bus transport facilities in Kerala in recent years³⁹. Arbitrarily fixed bus fares, including subsidised rates for students and other special categories have resulted in the non-viability of existing bus services and no incentive to start new services. Taking over of private bus routes to shore up the finances of the State Transport Corporation has also impacted private bus operators adversely without any improvement in service quality to the commuters. This situation has to be turned around, particularly in urban areas, if cars have to be taken off the road. Incentive given to public and private bus operators to double the number of bus services would bring in rich dividends. We have suggested elsewhere, the setting up of a Regulatory Body, which could also look into the setting of Bus Fares and reducing the tax incidence on bus operators to incentivize bus transportation. In this regard, we must keep in mind that bus services are not for the poor alone; it is also to keep cars off the road. For that reason, we suggest the introduction of higher quality air-conditioned buses as well, with higher rate structures. There must also be a major effort for fleet augmentation of KSRTC and municipal bus services. HUDCO has sanctioned Rs. 623.44 crores to KSRTC since 2000 and the latter have purchased 4659 buses. This must be continued. In addition, on the lines of efforts for fleet augmentation under JNNURM, similar efforts under AMRUT and Smart City programme should also be launched in the 13th plan. In addition to large fleet buses, smaller buses and minivans also can be introduced on PPP mode. Intercity and intra-city public transport has to be catered to. Integrated bus stand with way side pay and use facilities should also be introduced.
108. Discouraging car based personal transport might be an unpopular decision at first sight, but will need to be tackled eventually. Some of the obvious solutions present themselves straightaway, such as providing adequate footpaths and cycle tracks. However, the big constraint will be that acquiring land for providing such facilities would be very expensive in all urban areas in Kerala. The tough choice of creating car free zones in tourist and other areas would also be faced with stiff opposition, but could be tried as a pilot in designated areas. However, across urban areas and indeed, the entire state, Kerala will need to take pragmatic decisions that would yield substantial benefits with just a little state investment in crafting enabling policy, such as encouraging carpooling and enabling agglomeration services from new generation taxi services, which will ensure higher passenger density per car.
109. There must be a conscious effort for prioritising pedestrian and cycle based movement in urban areas. This will require a change of mindsets and a move away from road widening at the expense of providing footpaths. Similarly, the problems of providing access to the differently abled are also ignored in urban policy making. Urban planning should take into account aspects of physical access of differently abled to different urban facilities, services and amenities. The approach of making cities pedestrian friendly, cycle friendly and access friendly for the disabled should inform all road related design.

³⁹ Reportedly, the number of private buses in Kerala declined from around 32000 in 2005 to about 14000 in 2013. State Transport Buses numbered about 5000 in 2013, with many not in running condition

110. As Kerala's road transport moves down the road to eventual grid-lock, coastal and inland water transport must be revived and its full potential realised. In doing so, there is a need to ensure seamless ticketing through smart cards that can be used across different services and different service providers. This could be tried in med western Kerala, where road, rail and inland water transport services exist side by side.
111. The State will need to selectively widen certain existing arterial and sub-arterial roads. However, in city areas, such widening will have to be simultaneously be accompanied by strict no parking zones, to prevent the additional lanes to be used formally or informally, for parking. Strict designation of no parking zones and high parking fees have a great influence on inhibiting the use of personal vehicles.
112. Road intersection design will need to be taken up on a city wide basis, with proper lane markers, islands to delineate 'no driving areas' and well delineated pedestrian crossing facilities with proper stop-go signals. Besides, traffic signal coordination and centralised management can ensure smooth flow of traffic. This can be achieved by enhancing the Intelligent Transport System (ITS) for traffic management.
113. Grade separators and flyovers, if not designed as part of a larger traffic management strategy can end up merely transferring the problem to the next intersection. Kerala will need to look at these solutions sparingly and take them up only after wide consultation and open debate. There have been far too many expensive mistakes committed in other cities in this regard, because they were taken up as piecemeal solutions.
114. Parking will be a big problem in the future, if we continue business as usual and continue to encourage, or not discourage the use of personal transport. A carrot and stick policy would be the best. Even as facilities for multi-level parking would need to be built – they can make a big difference to the adoption and use of facilities such as the Metro – their pricing has to be determined carefully, to ensure that they are used well. However, pandering to larking alone cannot be the answer. Strict designation of no-parking zones and even pedestrian only zones, will have to be undertaken. Other policies that have a direct bearing on traffic management is to shift SWM cleaning services to the night hours and staggering working hours. These decisions are best taken in a decentralised way with the local government being the final arbiter for the same. The fragmentation of responsibilities between State departments such as the police and the municipality often are the cause of most problems in traffic management.
115. There is a need for establishing effective regulatory and enforcement mechanisms that allow a level playing field for all operators of transport services and enhanced safety for the transport system users. Setting up a transportation regulator for this purpose and entrusting it enhanced powers, more substantial than that accorded to the Road Transport Authority, would enable it to take decisions in this regard. This Independent semi-judicial body should be set up to closely monitor direct and indirect costing of transport industry as a whole and create a mechanism whereby fares and freight rates are restructured periodically to ensure the viability of the industry and safeguard the interest of the general public as well.

116. Fatalities and injuries due to accidents continue to be a serious problem in Kerala for a number of reasons; narrow roads, high speeds, undetected road hazards and absence of separate footpaths and cycle tracks being the main problems. Even as proper road design would reduce these accidents, Kerala needs to invest heavily in road safety and trauma care efforts.
117. All these efforts will require the availability of adequate trained manpower across the gamut of services and regulatory systems in the transport sector. While it is beyond the scope of this group to give pin-pointed suggestions, we would like to flag the issue as one for urgent attention.

Housing

118. Housing is one of the fundamental necessities of society backed with basic urban facilities for water supply, sanitation, transportation and power. It occupies the largest portion of land and demands greatest levels of Government investment in infrastructure, as a priority concern of all citizens and typically a family's single largest investment. As Kerala moves towards rapid urbanization in the coming years, the two key principles of housing framework are that housing must first be recognized as complex process as opposed to simply a collection of four walls and roof and the process must provide access to an appropriate range of safe, healthy acceptable, affordable and well located housing options and services for all social economic groups. Housing is therefore a dynamic process that requires diverse and flexible approaches towards the needs of all groups so as to achieve the aim of an inclusive urban development.
119. Kerala represents a paradox in housing, where high rise luxury condominiums lie unused as second homes for NRIs, while the poor, particularly the urban poor suffer a deficit. When it comes to housing for the poor and migrant labour in urban areas, the preferred policy option has been to initiate a housing scheme for them. Two sub-components of the Prime Minister Awas Yojana (PMAY), namely, the 'beneficiary led construction' and the 'credit linked subsidy scheme' enable housing for the "landed homeless" category. Under the Prime Minister's Awas Yojana (PMAY), 93 towns are proposed to be covered, and a target of 3 lakh houses has been set. Under the Rajeev Awas Yojana (RAY), 42000 houses have already been constructed. However, the preference so far has been for individual houses and other options such as upgradation have not been considered. With the existing fiscal capacity of the state government and the limited funds available from centrally sponsored schemes/projects, the coverage of such housing projects are likely to remain low.
120. While most schemes of the Central and the State Government mainly address the housing needs of the "landed homeless" category, there are not many housing programmes for addressing the housing needs of the landless & homeless category. Though availability of land for meeting the housing needs of the landless homeless is the need of the hour, not much progress has been achieved under the other PMAY sub-components of 'affordable housing in partnership' and 'slum rehabilitation', aimed at addressing the housing needs of the landless. The 'landed homeless' include the lower middle income groups and low income groups, who are badly affected as they are not served either under the Government backed social housing schemes or the market led upper end of housing delivery. For them, an affordable housing

scheme need to be promoted by the Government in collaboration with the private sector so that there is very low financial burden on the Government. This would be possible only by planning suitable affordable housing policies which will attract Public-Private sector participation and investment in such projects. More LIG houses in the form of row houses, twin houses, walk up apartments of two or three storeys may be promoted with suitable support programmes from Governments, state and ULBs. Promoting affordable housing options will attract the private sector because the low income and lower middle income group have some capacity to repay. A real assessment of the target group is required with time bound action plans during each year of the 13th Plan.

121. Urban Slums identified and rehabilitated in the past are continued to be designated as slums, which was not the objective of rehabilitation. To abolish slums of the past, it is necessary to assign land tenure to dwellers. Only such an approach will create a feeling of ownership and promote future investment by dwellers in their homes.
122. The State Government has a critical role in planning, allocating, consolidating, acquiring and supplying affordable land and services. Inclusive Land Development that brings the poor into the formal land and housing markets requires a two pronged strategy, namely, to increase choices available on the supply side and increasing affordability on the demand side. Increasing supply of land for the poor includes providing sites and services such as water, roads and sanitation facilities, regularising and upgrading of hitherto illegal settlements through the provision of land tenure and basic infrastructure, land sharing agreements between land owners and occupiers by which the land owner develops the economically most attractive part of the plot and occupiers build houses on the remainder, with full or limited land ownership, sites without services, by which groups of households are encouraged to organize themselves, accumulate funds and provide infrastructure gradually. Other regulatory ways of encouraging private investments in housing for the poor could be by stipulating private developers to provide a percentage of FAR for EWS housing⁴⁰, to be handed over to the LG at a predetermined price, and reservation in their housing layouts for service providers⁴¹, such as domestic help, sanitation workers, drivers and other small scale and informal services.
123. On the demand side, facilitating collectives of the poor to channelize the demand of land for housing could yield dividends as they can negotiate better with governments and other stakeholders. The Kudumbashree mission is best suited to undertake this facilitation. Community based savings can enable the poor to better access housing finance.
124. The provision of houses for the poor still does not cure the paradox of the rampant building of homes that are under-utilised. Kerala needs to think through how this can be discouraged. Policies such as taxes on vacant flats and on ostentatious housing exceeding an area of 2000 square feet might be able to create the incentive to promote renting of homes and better

⁴⁰ DDA norms provides 15%

⁴¹ DDA has a norm of 50 percent

capacity utilisation. Temporary use to promote home to home tourism⁴² may reduce under-utilisation.

125. For the large numbers of working class labourers who migrate to Kerala, suitable policy options have to be initiated which encourages investment for affordable housing projects. A rental housing scheme for them may be considered for migrant workers, in a collaboration between employers and the “Bhavanum Foundation” an organisation promoted by the Labour Department. The National Urban Livelihood Mission (shelter component) should be made use of to mobilize the financial resources required for night shelters for the homeless in bigger cities. The fact that these proposals did not find favour during the 12th Plan period is a matter of concern and the same failure ought not to be repeated during the 13th Plan.
126. Across the board, low-rise high-density development with use of cost effective technology options and sustainable green building options directed at economising on water and energy use and which promote the use of renewable energy are the way forward. Local governments should assist in providing the back up basic infrastructure services support.

⁴² as in AirBNB

CHAPTER 6
PROVISION OF URBAN SERVICES

127. There are a plethora of urban services, but none more important than water supply, sewerage and solid waste management. The Working Group decided to especially focus on these services in this section, even though the provision of water supply and sewerage, could also be handled in the section on infrastructure. For the sake of brevity, and because water supply and sewerage services share similar characteristics of pipeline based supply and treatment, we have considered these together. The policy and institution-related recommendations on liquid waste treatment, which relate to the Kerala Water Authority (KWA), would equally apply to water supply projects as well

Water Governance

128. Water governance, especially reforms in the sector is an important element of urban governance in the last two decades. In India, for instance 70% of the flagship JNNURM program allocation was spent on water and sanitation projects. Following the introduction of the National Water Policy (NWP)⁴³ States also introduced State Water Policies emphasizing private sector participation, tariff revisions, full cost recovery and creation of independent regulatory authorities,⁴⁴ treating water as a commodity allocable on effective demand, cost recovery and managed by local organisations. In urban areas, policies continued in the direction of providing substantial funds for costly operation and management investments⁴⁵.

129. Kerala's urban water governance ignored the dominant trends of privatisation and PPPs and instead relied upon foreign agencies⁴⁶ and national programmes such as the JNNURM to fund water supply projects. Kerala has a history of a relatively vibrant public space and institutions and hence development NGOs have played a relatively minor role. Recently, special purpose vehicles (SPVs) and NGOs have been involved in the design and implementation of water services. It is in this backdrop that we need to discuss the future policy and actions in Kerala.

130. With assistance from the World Bank, the Kerala Water Authority (KWA) was formed through a State Act in 1986, with the objective of easing the financing and management of water supply and sanitation-related activities. However, experience has shown that going through the KWA route has not improved outcomes in terms of project execution. A case study of Thiruvananthapuram (Box 6) exemplifies the problems.

⁴³ 1987 and subsequent revision in 2002 and 2012

⁴⁴ Karnataka (2002), Madhya Pradesh and Maharashtra (2003), Orissa (2007), Andhra Pradesh (2009) and Uttar Pradesh (revised the 1999 policy in 2009). Regarding the creation of IRAs, Maharashtra was the first to create the MWRRRA in 2005 followed by Arunachal Pradesh (2006), Uttar Pradesh (2008) and Andhra Pradesh (2009).

⁴⁵ Union Government assistance for urban water supply increased from Rs 3700 crore in 2005 to Rs 43000 crore in 2011 (Planning Commission, 2011).

⁴⁶ mainly JICA and ADB for urban areas and the World Bank for rural water supply

Box 6 Case Study of Sewage Treatment in Thiruvananthapuram City

Trivandrum was one of the first cities to install piped water and sewage networks in India⁴⁷. A sewage farm with 8 mld capacity was established in 1938. In 1962, the farm was leased to the Dairy Development Department to cultivate fodder grass using sewage. However, ploughing of the land led to the deterioration of the mud pipes and clogging of the filtration beds, leading to excess sewage being allowed to flow into the barren land within the farm. With an ADB loan in 2009 and the formation of KSUDP, the farm was abandoned and a centralized sewage treatment plant (STP) was constructed. However, the plant operates only at 30% of its 107 mld capacity, due to insufficient sewer networks to transport sewage to the STP, as sewer networks taken up under the ADB and JNNURM projects have been scaled down. New sewer construction is hampered primarily due to difficulties in acquiring land for pumping stations. This has resulted in unproductive sunk costs and scale inefficient recurring operation and maintenance costs that could have been avoided through modular installation of the plant. There is also no foresight into when and how the sewer network of the city will be completed.

About 1/5th of the project cost was spent on consultation services. Whilst the domestic consulting consortium had several experts who were retired KWA officers, KWA was not directly involved with planning or design activities, particularly in the inception phase. This hampered the work of the KWA as the service provider later on. The expectation that KWA would be more professional and competent than the PHED it preceded did not materialise; the greater involvement of foreign agencies and the ostensible need to meet 'global standards' for infrastructure led to greater dependence on consultants. There is the need to analyze these problems with senior management and service (engineer's) unions in KWA to ascertain the seriousness of issues, need for capacity building, facilitative environment with incentives for delivery and enhanced ownership of the organization by the staff.

Several cost revisions occurred, resulting in a near doubling of project cost over estimations. Stipulations of minimum commitment in loan utilization created strong incentives for the funder to pump in money. This drove in turn an emphasis on cost recovery, which is not feasible given the low capacity utilisation. The O&M cost of the STP is Rs. 420 lakhs per annum, and the nominal sewage service tax collected as part of the building tax cannot cover the same. The potential of income generation from by-products is limited. There is no demand for treated water for agriculture or from industry. The sludge also does not have any takers at present. Yet, all these features; the doubling of the financial allocation, reasons for down-sizing of sewerage laying plans, penalties paid due to project delays, progress in work awarded to agencies and how finances were managed have been poorly documented and is not fully available in the public realm for scrutiny.

Furthermore, as the assets have been transferred to the Municipal Corporation, disputes have arisen as to who will bear the O&M costs of the treatment plant. Presently, it is the Municipal Corporation who bears the O&M charges with KWA overseeing the STP operation and all the O&M for a five year period undertaken by a turnkey contractor.

131. This case study typifies the malaise that has overtaken Kerala. To sum up, creating of SPVs such as the KWA has not resulted in greater internal capacity. There is a high dependency on consultants (which provide ready employment to retired KWA engineers) leading to a deskilling of internal technical personnel, dependence on foreign agencies, cost overruns, poor capacity utilisation and fragmented governance, leading to disputes and passing the blame for

⁴⁷ Piped water in 1932 and a sewerage network in limited areas by 1938.

failure onto others. The latter problems have continued even with other foreign funded projects, where SPVs have not been involved⁴⁸. Plan support from the State to the KWA has shrunk, leading to the latter being further dependent on consultants for its work.

132. The effectiveness of public utilities like KWA has to increase with a better work culture, accountability, transparency and community participation. There should be informed public debate on water governance-related issues like the demand, supply, costs, and tariffs, cross-subsidy for the poor and state support to make the water services efficient, equitable and sustainable. The option of working with a turnkey operator needs to be re-examined; there may be benefits in rebuilding the skills of the KWA and the LG, if they were to take over the running of existing plants. A thrust should be given to promote the use of waste water and sludge.

Possible Path Ahead for Integrated Solid and Liquid Waste Management

133. An effective approach to solid and liquid waste management needs to focus on two related issues, namely, technology choice and the need for a participatory approach, which is an important factor in the success of more local and decentralized strategies for integrated solid and liquid waste management.
134. Centralised technological solutions may not be appropriate for Kerala not only from the affordability perspective, but also given the local context of how waste is generated and land is contoured. In urban areas it is difficult to delineate a natural water stream from a sewer or storm water drain. Kerala continues to be a dominantly well-using society and with open defecation being addressed much earlier than other States, the biggest threat to public health is the coexistence of wells, septic tanks and soak-pits in close proximity. Safe disposal of fecal sludge from septic tanks is a huge urban problem given that only two big cities are partially covered by underground sewage. Given the poor experience with centralized solutions, the choice should veer to alternative technologies for wastewater management, which have now reached a take off stage. This is not to discard larger systems entirely; they are required in areas where population density is high. However, there is a great scope for adopting a menu of more efficient, sustainable, decentralized solutions with public participation. The advantages of decentralized waste water management solutions is that it is less capital intensive technology as water is treated at the source and hence helps escape laying sewer lines. A major policy push for adoption is to mandate the adoption of micro treatment plants for group housing and flats, as has been done in Karnataka. The savings that accrue from delineating and insisting that higher income housing groups provide fully for their own waste water management can fund sewage infrastructure in marginal areas. However, the main challenge would be to facilitate LGs and the community to create and grow the expertise to make more informed technology choices and implement these locally. Many of these awareness programmes should be taken up under the Haritha Keralam approach.

⁴⁸ For example, the JICA funded project for drinking water supply in selected towns. Although there is no SPV for this, five levels of consultants are involved and a local NGO at the lowest level mobilizing indigenous expertise of retired engineers and other consultants, executes the work.

135. Studies⁴⁹ of peoples' practices, understanding their mind-sets and the convergence points of micro level wastewater management have taught that decentralized data collection is the first step for city-wide sanitation planning. A better understanding of waste generation and the development of technical and institutional options can easily lead to a campaign for integrated solid and liquid waste solutions that are locally relevant. Any ongoing experiences of decentralized collection, treatment and reuse could feed into the new integrated approach easily and the enthusiasm generated, channelized to the implementation of more scaled up solutions. The involvement of the citizens at different stages, right from situational analysis⁵⁰, regular feedback mechanisms, awareness generation, building, operation and maintenance of systems can further democratize governance of wastewater, by improving transparency. Participation of students and teachers of local colleges, senior citizen experts like retired engineers or academicians, can enable the collection and maintenance of data regularly and repeated analysis could help and also pressurize local bodies to act with accountability.
136. Wastewater treatment systems can be complemented with the development of public spaces, which also improves the aesthetic appeal of the cities⁵¹. The management of wastewater using decentralized solid and liquid management systems can be incentivized by providing employment for maintenance of the system that will make the twin strategy viable.
137. Many of the policy and process suggestions for liquid waste management would analogously apply to drinking water supply as well. A meaningful assessment of the sources of water, limits to supply enhancement by traditional storage reservoirs and the potential and cost benefit of rain water harvesting and watershed management etc. should be discussed in the context of each urban location. Demand management by increasing the efficiency of the system by plugging leakages, incentives for use of better, water saving equipment at the household level and conservation education should be both the mandate of the KWA and the LG concerned.

Solid Waste Management

138. As per a Supreme Court of India directive, all LGs with a population over 1 million were to set up proper facilities for processing waste generated within their limits by December 31, 2003. Kerala launched the Clean Kerala Mission in 2002 to create a garbage free Kerala, through capacity development of LGs and the participation of NGOs and CBOs such as the Kudumbasree groups⁵². However, the Mission did not succeed as the problem grew faster than solutions were applied. While media debates and experiments on waste management continue, rapid urbanization and changes in consumption pattern and social behaviour increased the generation of municipal solid waste (MSW) beyond the assimilative capacity of

⁴⁹ IIT Bombay has studied exercises of participatory assessment involving ULBs, local academic institution and NGO in two towns – Alibag in Maharashtra and Nedumangad in Kerala.

⁵⁰ Which could be done on the model of the city sanitation plans suggested in the National Urban Sanitation Policy (NUSP), 2008.

⁵¹ The Hunnarshala made park in Kachch is a good example

⁵² The first phase covered five Corporations and 26 municipalities and in the second, 27 cities and 25 villages were added.

the environment and management capacity of existing waste management systems. Solutions such as transportation and dumping in land fills faced severe resistance from local people. On an average 6000 tons of Solid Waste is being generated every day across Kerala and much of it ends up fouling up the delicate environment and despoils the State's natural beauty. Therefore, there is an urgent necessity for improved planning and implementation of comprehensive MSW management systems.

139. The first step is to collect detailed information on the character and quantity of MSW generated and their physical and chemical properties, as detailed in Table 9.

Table 9 *Details of Solid Waste*

Source	Typical waste generators	Types of solid wastes
Residential	Single and multifamily dwellings	Food wastes, paper, cardboard, plastics, textiles, leather, yard wastes, wood, glass, metals, ashes, special wastes (e.g. bulky items, consumer electronics, white goods, batteries, oil, tires), and household hazardous wastes
Industrial	Light and heavy manufacturing, fabrication, construction sites, power and chemical plants	Housekeeping wastes, packaging, food wastes, construction and demolition materials, hazardous wastes, ashes, special wastes
Commercial	Stores, hotels, restaurants, markets, office buildings, etc.	Paper, cardboard, plastics, wood, food wastes, glass, metals, special wastes, hazardous wastes
Institutional	Schools, hospitals, prisons, government centers	Paper, cardboard, plastics, wood, food wastes, glass, metals, special wastes, hazardous wastes
Construction and demolition	New construction sites, road repair, renovation sites, demolition of buildings	Wood, steel, concrete, dirt, etc
Municipal services	Street cleaning, landscaping, parks, beaches, other recreational areas, water and wastewater treatment plants	Street sweepings, landscape and tree trimmings, general wastes from parks, beaches, and other recreational area, sludge
Process	Heavy and light manufacturing, refineries, chemical plants, power plants, mineral extraction and processing	Industrial process wastes, scrap materials, offspecification products, slag, tailings
Agriculture	Crops, orchards, vineyards, dairies, feedlots, farms	Spoiled food wastes, agricultural wastes, hazardous wastes (e.g. pesticides)

Source What A Waste: Solid Waste Management in Asia. Hoornweg, Daniel with Laura Thomas. 1999. Working Paper Series Nr. 1. Urban Development Sector Unit. East Asia and Pacific Region. Page 5.

Biodegradable Waste

140. As far as possible, biodegradable waste should be managed at source through home or community level composting. In the case of market and other biodegradable wastes, technologies such bio-methanisation could be adopted. Centralised facilities for biodegradable waste have failed in the past and do not seem sustainable. Decentralisation of composting is can be easily achieved through the dissemination of simple composting techniques. The

possibilities of engaging Kudumbashree, the informal recycling sector or other entrepreneurs to provide decentralised solutions may be encouraged.

Non Bio Degradable Waste

141. Much of the NBDW is recyclable. In order to ensure that they do not lose their recycling value they have to be handed over clean and dry by the waste generator. Collection of dry waste alone, with a user fee charged from the waste generator, has to be initiated. The Self Help Groups can be utilised for the same. Collected dry waste has to undergo secondary segregation, which needs Material Recovery Facility to be set up. Forward linkages for recycling (including glass, paper, metal, plastic and e waste) can be arranged, which generates additional remuneration to the SHGs. Recycling industries could be supported through incentives, at the rate of at least one in every district, to promote reuse and resale of used items, glass, paper, plastic, metal, e waste and convert them into new products. The reuse of construction waste – termed as urbanite – should be promoted through CostFord and other similar institutions.

Sanitary Waste and Rejects

142. A policy decision to collect sanitary waste separately and send to bio medical waste incinerators has to be taken. That will leave only rejects and inerts, which would go to scientifically constructed Sanitary Landfill. The possibility of setting up one such landfill in each district could be explored. This needs to cater to a minimum of one district and hence the state government should take up this responsibility.

143. Clearly, a massive capacity building is required, as also a basket of incentives for those who take up segregation and recycling. It is also suggested that after a sufficiently publicised grace period, compulsory segregation should be mandated, as also fines and enhanced punishment for littering and unsegregated disposal of waste. The aim of creating a litter-free Kerala should be widely publicised, so as to generate awareness and social pressure on reducing litter. Other approaches, such as declaring the intention of a plastic free Kerala combined with the banning of plastic waste and the promotion of recycling of plastic for the cement industry and road tarring, would generate support as it has clear and tangible outcomes. Additionally, the beautification of major roads by planting trees would disincentivise indiscriminate waste dumping.

Other Services

144. There are several services that need to be funded for improvement. These include Slaughter houses and crematoria. Youth development and sports development is a thrust area that needs focus. The LGs have to earmark funds for recreational facilities, sports, parks and gardens. People friendly online services will need a big thrust during the Thirteenth Five Year Plan. In this context, the parameters and conditionalities of the AMRUT scheme could be used to benchmark existing service levels and improve them. The 5th SFC could also be approached, to focus on improving of service levels.

CHAPTER 7
ENVIRONMENT AND RESILIENCE:

145. Urban areas are the biggest generators of greenhouse gas and also especially vulnerable to the adverse impacts of climate change. The way cities are planned, financed, developed governance and management has a direct impact on the sustainability of life and resilience of the environment, well beyond the boundaries of such urban areas.
146. If protection of the environment is considered in its widest sense, it would go beyond the physical aspects to the social and economic ones as well. But if we were to confine ourselves to the physical aspect, it encompasses the protection as well as sustainable utilisation and management of all resources by incorporating environmental aspects into all urban development efforts. In particular, it would mean the protection of wet, low lying and paddy land, protection of river and lake fronts and water bodies, the management of waste, reducing pollution and the provision of green areas and public open spaces and recreational areas. It would also focus on efforts to combat climate change and reducing greenhouse gas and pollution, such as energy efficient transport and buildings, reducing and recycling waste and converting it into energy, and the use of smart Micro Grids and the promotion of Solar and other Renewable Energy sources in urban areas.
147. We need an integrated approach, for which Kerala could use the vulnerability atlas prepared by the High Level Expert Groups set up by the Ministry of Urban Development as a guide to undertake its own vulnerability assessment. Some ‘no go’ zones will have to be identified to prevent building in disaster prone areas.
148. Building urban resilience cannot be approached without participation and awareness by the public. In this regard the steps suggested in the Making Cities Resilient Campaign of the United Nations International Strategy for Disaster Reduction (UNISDR) may be followed in Kerala. These are as follows Table 10.

Table 10 UNISDR's 10 Essential Steps for Making Cities Resilient

Institutional and administrative framework	Organisation and co-ordination systems to understand and reduce disaster risk based on participation of citizen groups and civil society; build local alliances; ensure that all departments understand their role in disaster risk reduction and preparedness.
Financing and resources	Assign a budget for disaster risk reduction and provide incentives for homeowners, low-income families, communities, business and the public sector to invest in reducing the risks they face.
Multi-hazard risk assessment-know your risk	Maintain up-to-date data on hazards and vulnerabilities; prepare risk assessments and use these as the basis for urban development plans and decisions; ensure that this information and the plans for your city's resilience are readily available to the public and fully discussed with them.
Infrastructure protection, upgrading and resilience	Invest in and maintain critical infrastructure that reduces risk, such as storm water drainage is adjusted where needed to cope with climate change.
Protect vital facilities: education and health	Assess the safety of all schools and health facilities and upgrade these as necessary.
Building regulations and land use planning	Apply and enforce realistic, risk-compliant building regulations and land use planning principles; identify safe land for low-income citizens and upgrade the informal settlements, wherever feasible.
Training, education and public awareness	Ensure that education programmes and training on disaster risk reduction are in place in schools and local communities.
Environmental protection and strengthening of ecosystems	Protect ecosystems and natural buffers to mitigate floods, storm surges and other hazards to which your city may be vulnerable; adapt to climate change by building on good risk reduction practices.
Effective preparedness, early warning and response	Install early warning systems and emergency management capacities in your city and hold regular public preparedness drills.
Recovery and rebuilding communities	After any disaster, ensure that the needs of the survivors are placed at the centre of reconstruction, with support for them and their community organizations to design and help implement responses, including rebuilding homes and livelihoods.

149. Hazard vulnerability assessments need to be done, particularly for urban areas in hilly and coastal regions and disaster mitigation plans prepared for each municipality and corporation. Preventive action should be taken to identify pockets in urban areas that are particularly vulnerable to localized disasters, such as land-slides or sea erosion.

CHAPTER 8
LOCAL ECONOMIC DEVELOPMENT AND POVERTY REDUCTION

150. A four pronged approach for reducing urban poverty is required, as follows:

1. Building the assets of poor people and in particular, address the inequalities that prevail across the gender and social divide and improving basic infrastructure in areas where the poor and the marginalized live
2. Promoting opportunities through providing free access to knowledge and encouraging cooperatives, social enterprises and joint liability groups that can attract local investments;
3. Facilitating the poor to empower themselves by laying down the political and legal basis for inclusive development; which in turn drives a public administration that is proactive in fostering equitable growth. Such an administration would be pro-decentralisation, would adopt gender equity practice, aggressively dismantle social barriers and support the flowering of social capital.
4. Enhancing security by creating mechanisms that enable poor people to prepare for and respond to shocks and disruptions, both financial and natural, and successfully manage risks.

151. Since Local Economic Development and poverty reduction is an overarching theme in urban development, many recommendations made in previous chapters are relevant here too. Mixed use development in spatial planning, which provides for functional and social integration has a positive impact on the character of communities, by providing for a more dynamic and lively environment. Providing affordable houses for all houseless families during the 13th plan period is a declared goal of the government. Making an adequate supply of serviced land through programmes for land assembly, affordable housing, slum improvement and ensuring basic services to all without them having to compromise their health and safety is also a cornerstone to poverty reduction.

152. The components of CBO strengthening, street vendors' rehabilitation and shelters for homeless people within the National Urban Livelihood Mission (NULM) need to be focused upon. Alongside, there is a need to encourage and facilitate the bringing in of more CSR funds, into urban poverty reduction. The Aashraya programme of Kudumbashree, which targets the poorest of the poor, has identified 84000 families for special attention. Phase 2 of the initiative, taken up in collaboration between the CBO network under Kudumbashree in collaboration with the LGs, is to cover 64000 families. The constraints which have hampered implementation in the past, such as disputes on identification of beneficiaries and lack of continuity in skill building need to be addressed. Whilst on the one hand, the Kudumbashree mission points out to a lack of sustainable support and shortfalls in provisions of infrastructure by LGs⁵³, the latter states that the guidelines on the use of plan funds by LGs have become increasingly restrictive. They contend that if ULBs are given the flexibility of selecting beneficiaries and providing training, there would be greater effectiveness in the

⁵³ It is claimed that not more than Rs. 100 crore of the Rs. 400 crore expected has been provided by the LGs towards the Ashraya programme.

implementation of livelihood support programmes. The Working Group suggests that the guidelines for planning need to be re-examined by a committee in which Mayors have an equal representation, so that the differing perceptions on how the constraints in implementing Ashraya can be addressed.

153. Even though street vending obstructs vehicular and pedestrian traffic and cause waste management problems, it is a boon to consumers. The Policy on Urban Street vendors of the Union Ministry of Housing and Poverty Alleviation (MoUD), may be implemented in Kerala. Some of the steps suggested are as follows:

1. Identification of designated vending zones and street vending free zones, based on availability of wide open and vacant road margins and convenience of the people.
2. Grouping of food vendors in a single roofed, side-open shed and developing it as a hygienic food plaza with good waste disposal arrangement, as done in Singapore and Bali,
3. Designated days on which selected roads are closed to traffic to allow for street trading, as is done in London

154. LGs can take appropriate actions for formulating programmes for rehabilitation of street vendors on these lines and innovate.

155. As an adjunct to livelihood programmes, there is a need to focus on groups with special needs, such as the physically and mentally challenged, the elderly, women, children and transgender individuals. The focus would need to be on housing, safety and security and access to services. Care Services in Urban Centres for comprehensive geriatric care need special mention, as also short stay homes for women in distress. Dormitory facilities may be provided near mobility hubs for poor women who travel alone.

156. The level of economic development that an urban area (town or city) can promote, support and sustain would depend on:

1. The threshold population that can support and sustain an economic activity: A small town that has a smaller population threshold may be able to support only low investment economic activity.
2. Level of infrastructure development: Roads, transportation, availability of water and power, waste management, cleanliness and living/housing facilities influence an investor's decision to take actions for establishing an economic activity in a town/city.
3. The availability of support facilities like financial institutions and agencies that provide logistic facilities (cargo movers etc.). However, the growth of such facilities are mutually dependent upon the city attracting major economic activities.

157. It is with respect to the second point that urban planning can make a significant impact. Investments made in city infrastructure in furtherance of the development vision for the future could become the foundation for catalysing economic development activities. These opportunities may have to be visualised when framing city level policies under a Master Plan. Area development programmes that identify city areas with potential, identified on criteria such as geographic location, existing infrastructure levels, possibility of augmenting

infrastructure with minimum cost and land availability) can be taken up to attracting economic activities and investments. In the metropolises, 'high density zones' may be identified for planned development of infrastructure, land pooling schemes, land acquisition and development, so that such zones attract investments from the public and private sectors. Such 'high density zones' may evolve into 'priority job centres' and 'economic activity centres' of the city.

158. On the economic development front, special attention will have to be given to promote micro enterprises clusters, IT parks, garment clusters, electronic hubs and food processing hubs. Industrial estates established in the past that are languishing could be revived by collaboration between the KSIDC and private land owners/developers. The KSIDC could also work together with LGs to promote small and micro industrial estates. Such agglomeration will enhance scales of economy and benefit from inter-related and cross-supportive business activities.
159. LGs may be encouraged to use their plan funds to establish Multi Skill Development Centres, dovetailing the available funds under the Skill India mission and bank finance. There is a need to involve educational institutions in more research on urban development and other extension activities. They can be roped into the task of skill development so as to improve employability.
160. With respect to tourism, urban areas will have to bear the burden of increased tourist flows, which has implications on water supply, transport and solid waste management. Tourism is highly dependent upon the State taking care to preserve its natural and cultural aesthetics. Nobody will come to Kerala if its urban landscape were to shed its traditional architecture and opt wholesale for steel and glass. There is a dire need to protect heritage areas during spatial planning exercises. Care needs to be taken for the protection of private heritage structures and houses, traditional street fronts, and other areas of historical interest.
161. In the context of recession in gulf countries reemployment to NRIs would emerge as a focus area. There is a need to increase the awareness of NRIs on the potential off new programmes such as Skill India and Start up India. NRIs investments could also be encouraged to be channelized for urban infrastructure development.

**PROCEEDINGS OF THE MEMBER SECRETARY
STATE PLANNING BOARD
(Present: Sri. V. S. Senthil IAS)**

Sub: State Planning Board - Formulation of Thirteenth Five Year Plan (2017-2022) –
Working Groups on **Urban Issues** – constituted –Revised orders issued.

Read: 1. Decision of the State Planning Board meeting held on 08-09-2016
2. Order No. SPB/278/2016-DPD (WG2) dated 19/09/2016

ORDER No. SPB/278/2016-DPD (WG2)

DATED: 26/09/2016

As part of the formulation of Thirteenth Five Year Plan, it has been decided to constitute various Working Groups under the priority sectors vide paper read above. Accordingly Working Group on **Urban Issues** is hereby constituted. The composition and terms of reference are given below.

Co-chairpersons

1. Sri. T. R. Raghunandan, IAS, Former Joint Secretary GoI, (Avanthika Foundation, Bengaluru 080-40916299, 09845749988, ttrraghu2014@gmail.com
2. Sri. T.K. Jose, IAS, Principal Secretary, Local Self Government Department, 0471-2518163, 9446375216 - prlsecy.lsgd@gmail.com

Members

1. Sri. V. K. Baby, IAS, Secretary, LSGD-0471-2517219, 8281905385 - splsecy.lsgd@kerala.gov.in
2. Dr. K. Vasuki, IAS, Director Urban Affairs Department - 0471-2312886, 9446533341 - duatvpm@gmail.com
3. Sri. P. S. Muhammad Sagir, IAS, Project Director, KSUDP - 0471-2332858, 9946487901 - pmuksudp3@gmail.com
4. Sri. K. Ramanan, Chief Town Planner, Town and Country Planning Dept. - 0471-2726677, 9447021429 - ctpkeralam@gmail.com
5. Dr. K. Vasuki, IAS, Executive Director, Suchitwa Mission -0471-2319831, 9446533341 - suchitwamission1@gmail.com
6. Sri. S. Harikishore, IAS, Executive Director, Kudumbashree - 0471-2554714, 9446268401 - kudumbashree1@gmail.com
7. Sri. V.K. Prasanth, Mayor, Thiruvananthapuram Corporation - 0471-2322470, 9447377477 - tvmmayor@gmail.com

8. Sri. Dr. P. V. Unnikrishnan - Joint Director, C-DIT, Trivandrum – 9447772818 - pvunni31@gmail.com
9. Sri. L. Rajeeve, Managing Director, KURDFC - 0471-2321857,9447062802 - kurdfc@gmail.com
10. Dr. B. G. Sreedevi, Director, NATPAC, Sastra Bhavan, Pattom, 0471-2548200, 9446342828 - bgsreedevi@yahoo.com
11. Sri. M. Ramachandran, IAS, (Rtd.) - 09910222211 - mramachandran@hotmail.com
12. Sri. P. Joy Oommen, IAS, Former Chief Secretary, Chattisghat, (Consultant, Urban Development, Kerala) – 09544506633 - pjoyoommen@gmail.com
13. Sri. V. Suresh, Advisor, Good Governance India Foundation – 09818513344 - vsuresh30@gmail.com
14. Smt. Beena Philipose, Regional Chief, HUDCO - 0471-2339742,9446810860 - beena.philipose@gmail.com
15. Sri. Elias George, IAS, Managing Director and Director, Kochi Metro Rail Ltd. - 0471-2518875, 0484-2380980 - elias@kmrl.co.in
16. Sri. Kasturi Rangan, (Former Chief Town Planner) Sarovaramsreepuram Road, Poojapura, TVM -12 - 0471-2341019, 08547141019 - akasturirangan67@gmail.com
17. Sri. Anand Singh, IAS, Director, Ministry of Urban Affairs, GOI - 011-23062005 - anandsinghias@gmail.com - 8826736327
18. Sri. Assain karat, Former Chairman, Mancheri Municipality - 9446250423 - assainkarat9@gmail.com
19. Sri. M. A. Rajagopal, Chairman, Punalur Municipality, 0475-2222061,9447240919 - chairmanplr@gmail.com
20. Sri. M. Muhammad Salim, Chairman, Perinthalmanna Municipality - 04933 -220913, 9447175954 - linksalim@gmail.com
21. Sri. N.C. Narayanan, IIT, Mumbai - 022-25767842 - ncn@iitb.ac.in
22. Dr. Sunny George, Associate Professor, KILA – 9446606973 - kilaurban@gmail.com
23. Sri. P. B. Sajan, Joint Director, COSTFORD - 0487-2365988,9447150810 - pbsajan@gmail.com
24. Dr. N. Remakanthan, (Former Director, KILA) Eranakulam - 9496143232 - remakanthan.n@gmail.com
25. Dr. N. Ajithkumar, Director, Centre for Socio Economic and Environmental Studies, Kochi - 9446395108 - ajithcses@gmail.com
26. Sri. Chandradutt, COSTFORD, Thrissur -9400565555 - duttmash@gmail.com

Convener

Smt. N. Prasannakumary, Chief (i/c), Decentralised Planning Division, State Planning Board – 9495098611 - chiefdpd@gmail.com

Co-convenor

Sri. Shaju J.V, Assistant Director, Decentralised Planning Division, SPB – 9400433919 - dpdivisionspb@gmail.com

Terms of Reference (Specific)

1. To review urban development in the state focusing on leading issues such as slum development, housing, poverty, transportation system, water supply, employment, sanitation and solid waste management during the 11th and 12th Five Year Plan periods and to suggest a comprehensive strategy for meeting the challenges of urbanisation and overall development of the sector.
2. To evaluate achievements with regard to the plan projects launched in the urban sector, both by the State and Central Governments in the State during the 11th and 12th Five Year Plan periods and suggest modifications.
3. To critically assess the data base on urban development and to suggest measures for improvement.
4. To identify and formulate a set of output and outcome indicators (preferably measurable) for the sector/ programmes pertaining to the sector and base the analysis of the previous plans on these indicators, which are similar in nature and to identify innovative projects for effective dissemination.
5. To identify schemes/ programmes which are redundant and liable to be weeded out or reformulated or clubbed with schemes which are similar in nature and to identify innovative projects for effective dissemination.

Terms of Reference (General)

1. The Co-chairperson is authorised to modify Terms of Reference with the approval of State Planning Board. The Co-chairperson is authorised to invite, on behalf of the Working Group, experts to advice the Group on its subject matter. These invitees are eligible for TA and DA as appropriate.
2. The Working Group will submit its draft report by 1st December 2016 to the State Planning Board.
3. The non- official members of the Working Group will be entitled to travelling allowances as per existing government norms. The Class I Officers of GOI will be entitled to travelling allowances as per rules if reimbursement is not allowed from Departments.

The order read as 2nd above is revised to this extent.

(Sd/-)

V. S. Senthil IAS
Member Secretary

To
The persons concerned
The Sub Treasury Officer, Vellayambalam

Copy to
The Accountant General, Kerala (A&E) with C/L
Member (concerned)
All Divisions, State Planning Board
PS to VC
PA to Member Secretary
Stock file

Forwarded/By order
Sd/-
Chief (i/c) DPD