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Appreciation Programme

Participatory Urban Planning: Making Cities Inclusive of Urban Poor

Module - II

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Participatory Urban Planning: Making Cities Inclusive of Urban Poor

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OVERVIEW

Governance is a generic term, which becomes more specific when we use the prefixes urban, good etc. with it. Governance refers to the administrative arrangements of the economic and social resources for development. Governance can be defined as good when all issues that make it ineffective are removed or taken care of. In this backdrop this module has been divided into three units:

Unit One It is essential to know the fundamentals of Governance hence in Unit 1 we have defined Governance and described good Governance and urban Governance in detail,

Unit Two describes the need of effective devolution of responsibilities by higher tiers of governments to the lower ones, along with local capacity building with special reference to 74th Constitutional Amendment Act, and

Unit Three describes the urban governance narrating the example of Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

In this way this Module provides a comprehensive picture of governance in an urban area.

PRE-REQUISITE

Learners need to have:

- The knowledge of the basic needs of the urban areas,
- The understanding of the process of planning, and
- The knowledge of the process of devolution.

INTRODUCTION

Governance is a very complex issue. The main objective of the Governance is to make a holistic developmental planning for an area with an effective utilization of the economic and human resources available there. Urban Governance deals with different types of issues and face different types of challenges. To understand this in detail we have discussed Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in detail. Thus, in this Module we will understand the underlying problems, issues and challenges related to Governance.

LEARNING OBJECTIVES

This Module is envisaged with the objective that at the end of the Module the learners will:

- Understand the intricacies related to Governance,
- Understand the challenges faced in the process of Urban Governance,
- Know the impact of Good Governance in the development.

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UNIT 1: WHAT IS GOVERNANCE?

Governance may be understood as, *“the manner in which power is exercised in the management of the country’s economic and social resources for development. It is the joint responsibility of the state, market and citizens to mobilise public resources and promote decision making towards common public good.”*

Governance takes place at all scales of organization ranging from global governance involving transnational coordination, planning and management of international policies to internal governing of a small institution. Governance structures can include one, more or all of the following (*taken from Agere, S: Promoting good governance: principles, practices and perspectives*):

- between governments and markets,
- between governments and citizens,
- between governments and the private or voluntary sector,
- between elected officials and appointed officials,
- between local institutions and urban and rural dwellers,
- between legislature and executive branches, and
- between nation states and institutions.

1.1. What is Urban Governance?

Urban Governance is that which involves administration, planning, coordination and management of an urban area/ city/town and the relationship between local

governmental institutions and urban dwellers or citizens. It also includes partnerships or coordination local city government and private enterprises/ civil society/voluntary sector to help improve the administration of a city.

As cities in developing countries are under stress on account of forces of demographic transition and economic liberalization, a multitude of issues related to effective governance of these urban areas have emerged in recent times. Unfortunately, most city governments are not well equipped to tackle some of these problems due to reasons such as lack of resources or improper decentralization of power etc, which has led to inadequate and ineffective provision of public goods and services to the citizens. In such a scenario, partnerships of local governments with the civil society and private sector become important to steer and create responsive governance structures. Local governments are the first and the most direct level of interface between citizens and government, and therefore, the most vital platform for the exercise of democracy.

It is important to realize over here that for effective governance and planning of urban areas, local city governments must be empowered to carry out all functions related to the running of the city administration. They must also have adequate funds and professionals to carry out all these functions effectively. In most developing countries, this kind of devolution of power and funds has not taken place and thus the local governments fail to function effectively. In India, there is constitutional support to such decentralization but its actual implementation has been extremely slow.

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In the next section, we shall cover some salient features of decentralization of power to local (city) governments in India.

1.2. Defining ‘Good Governance

When we define good governance we are speaking about its quality. We therefore analyze its better and alternative mechanisms or positive transformations needed in its current practice. Thus governance can be defined as good when all the issues that make it ineffective are removed or taken care of. Good governance is, among other things, participatory, transparent and accountable, effective and equitable, and it promotes the rule of law. It ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and most vulnerable are heard in decision-making over the allocation of development resources.

Figure 1: Characteristics/ Indicators of Good Governance



Source: <http://www.unescap.org>

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Sourced from an OECD e-book entitled Citizens as Partners - Information, Consultation and Public Participation in Policy-Making, good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. (OECD, 2001).

Participation by both men and women is a key cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. Representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organized. This means freedom of association and expression as well as an organized civil society.

Transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media.

Effectiveness and efficiency: Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers

the sustainable use of natural resources and the protection of the environment.

Responsiveness: Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.

Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and CSOs must be accountable to the public and to institutional stakeholders. Who is accountable to whom varies depending on whether decisions or actions taken are internal or external to an organization. In general an organization/institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law.

Consensus oriented: There are several actors and as many viewpoints in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve the goals of such development by understanding the historical, cultural and social contexts of a given community.

Equity and inclusiveness: A society's wellbeing depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, but particularly the most vulnerable, have opportunities to improve or maintain their wellbeing.

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Rule of Law: Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

UNIT 2: DECENTRALIZATION OF POWER TO URBAN LOCAL BODIES IN INDIA: THE 74TH CONSTITUTIONAL AMENDMENT ACT

The roots of good governance at the local level lie in effective devolution of responsibilities by higher tiers of governments to the lower ones, along with building up local capacities in order to help them discharge these responsibilities to the satisfaction of the citizens. Effective governance, therefore, implies that local bodies have a well-defined functional domain, generate adequate resources to carry out their responsibilities in an inclusive and accountable manner.

NOTE BANK:

With the enactment of the 74th CAA in 1993, municipalities have acquired constitutional status for the first time in India. The important provisions specified in the Act include constitution of three types of municipalities, devolution of greater functional responsibilities and financial powers to municipalities, adequate representation of weaker sections and women in municipalities, regular and fair conduct of municipal elections, and constitution of Wards Committees, District Planning Committees, Metropolitan Planning Committees and State Finance Commissions.

In the context of urban India, the 74th Constitutional Amendment Act (74th CAA) was a milestone as it gave constitutional validity to Urban Local Bodies (ULBs), set out the procedure for their constitution and defined their structures, functions and resource generation capabilities.

2.1. Objective of the 74th CAA

The Act aimed at greater clarity between the centre, states and urban local governments in terms of devolution of adequate powers, authorities and resources to enable the latter to function as vibrant institutions of local self-governance. Its purpose was effective devolution of the three F's – Funds, Functions and Functionaries to the urban local bodies in all cities in India.

2.2. Main Provisions of the 74th CAA:

It provides constitutional recognition to the setting up, powers and functions of the urban local bodies. The Act introduces schedule 12 in the Constitution, which lists 18 subjects or functions coming under the jurisdiction of municipalities. One of these subjects is Urban Planning

The Act comprises of a number of Articles - 243P to 243Z (243Z- 243ZD) that give definitions of the terms used in the Act as well as composition and functions of municipalities, metropolitan areas, wards committees, finance commission, election commission, district planning committee etc.

- Article 243 Q provides for the constitution of various types of urban local bodies.
- Article 243 R provides for the composition of municipalities.
- Article 243 S provides for the establishment of ward committees in municipalities having a population of three lakh or more.
- Article 243 T provides for the reservation of seats for scheduled castes and

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scheduled tribes in proportion to their population in the municipal area. It also provides for the reservation of one- third seats in favour of women candidates.

- Article 243 U defines that the term of office of a municipality shall be five years from the date of its first meeting and no longer.
- Article 243 V provides for the disqualifications for being a member of municipality.
- Article 243 W provisions that the Legislature of a State by law may provide powers and authority.
- Article 243 X makes the provision that the State Legislature may by law authorize a municipality to levy and collect taxes
- Article 243Y provides that the urban local body established in each state by the government shall make recommendations to the Governor with respect to the proceeds of the taxes
- Article 243Z provides that the Legislature of the State may make audits of the municipalities ording to Article 243 ZA, the State Election

NOTE BANK:

While preparing the development plan for a district/ metropolitan area, the DPCs and MPCs shall take into consideration these factors:

- matters of common interest between panchayats and municipalities
- plans prepared by municipalities and panchayats in the metropolitan area
- spatial planning, sharing of water and other natural and physical resources between panchayats and municipalities and the integrated development of infrastructure and environmental conservation
- the extent and type of available financial and other resources
- Overall objectives and priorities set by the Government of India and the state government for that region/ district
- consult such persons while making plans,

as the Governor may specify

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Commission shall be empowered for the supervision, direction and control and conduct of all elections to the municipality and preparation of the electoral roll.

- Article 243 ZD provides for the establishment of a District Planning Committee (DPC) in each district to consolidate the plans prepared by the panchayats and municipalities in the district and to prepare a draft development plan for the entire district.
- As per Article 243 ZE, a metropolitan planning committee (MPC) shall be established to prepare a draft development plan for every metropolitan area.

2.3. Functions of the Municipalities: The Twelfth Schedule

As per Article 243 W of the 74th CAA, following are the 18 functions to be carried out by the Urban Local Bodies:

1. Urban planning including town planning.
2. Regulation of land use and construction of buildings.
3. Planning for economic and social development.
4. Roads and Bridges.
5. Water supply for domestic, industrial and commercial purposes.
6. Public health, sanitation conservancy and solid waste management.
7. Fire services.
8. Urban forestry, protection of the environment and promotion of ecological aspects.
9. Safeguarding the interests of weaker sections of society, including the

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handicapped and mentally retarded.

10. Slum improvement and upgradation.
11. Urban poverty alleviation.
12. Provision of urban amenities and facilities such as parks, gardens, playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burial grounds, cremation, cremation grounds and electric crematoriums.
15. Cattle pounds; prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
17. Public amenities including street lighting, parking lots, bus stops and public conveniences.
18. Regulation of slaughter houses and tanneries.

Almost every function mentioned above can be clubbed under planning. While the first function is specifically Urban Planning, all functions related to provision of physical and social infrastructure; construction of roads, bridges and buildings; regulation of land uses fall within the purview of planning. However, except for functions like Solid waste management and birth and death registrations, the municipality does not have the capacity to carry out all the functions mentioned in the list above. In addition, there are other agencies that are already carrying out these functions and the Act does not specify how to coordinate and merge powers/ functions and resources in an efficient manner. Thus, our cities have the issue multiple agencies carrying out same functions

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due to overlapping functional and territorial domains or none of the agencies carrying out these functions properly due to ambiguity.

In order to ensure proper decentralization and improve urban local government institutions and urban infrastructure and management in important Indian cities, the Government of India launched the Jawaharlal Nehru National Urban Renewal Mission in December 2005, a seven year multi-million scheme for select cities. One of its primary objectives is implementation of the 74th CAA in all states of India in letter and spirit. From 2005, Urban India has been under the influence of this mission and extremely fast paced planning and development has taken place in some places whereas others are lagging behind. In the next section, let us understand this Mission, its objectives and its progress towards the purpose of enhancing public participation and improving governance.

2.4. Current Levels of Devolution of Urban Planning Functions to Municipalities in India

Most state governments have followed the 74th CAA partially by amending their respective municipal laws. Democratically elected local governments and one-third reservation for women have now become the norm. However, on other aspects of the CAA,

THINK TANK

Answer these Questions:

- Is your city one of the 65 cities under JNNURM?
- Has your city local government prepared a City Development Plan (CDP)?
- Did you attend any meeting/ discussion where public opinion and participation was sought for the CDP?

Do you see a number of infrastructure projects such as water supply and sewerage systems and roads and bridges being built in your city?

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many state governments have remained reluctant. Many state governments have still not transferred all the functions in the 12th schedule of the 74th CAA to ULBs. Even for the functions that are transferred, there is a mismatch between the functional devolution and the fiscal powers of ULBs. Some of the functions of the urban bodies overlap with the work of state agencies. The functions of the municipality, including those listed in the Twelfth Schedule are left to the discretion of the state government. Local bodies have to be bestowed with adequate powers, authority and responsibility to perform the functions entrusted to them by the Act. However, the Act has not provided them with any powers directly and has instead left it to state government discretion.

UNIT 3: JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL

MISSION (JNNURM)

Named after India's first Prime Minister, the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is an urban planning and infrastructure scheme launched by the Government of India for select cities in the country. It envisages a total investment or funding of Rs. 50,000 crores. Adding the contribution of states and municipalities, the amount goes up to Rs. 1,25,000 crores over the seven year period. The scheme has two sub-missions:

- the Sub-Mission for Urban Infrastructure and Governance administered by the Ministry of Urban Development, with a focus on planning, water supply and sanitation, solid waste management, road network, urban transport and redevelopment of old city areas.
- the Sub-Mission for Basic Services to the Urban Poor administered by the Ministry of Housing and Urban Poverty Alleviation with a focus on integrated development of slums

3.1. What is a City Development Plan?

A City Development Plan (CDP) is both a perspective and a vision for the future development of a city. It presents the current stage of the city's development and sets out the directions of change. It identifies the priority areas and suggests alternative routes, strategies, and interventions for bringing about the required

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change. It provides a framework and vision within which projects need to be identified and implemented. It establishes a logical and consistent framework for evaluation of investment decisions.

A CDP is anchored on the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) goal of creating economically productive, efficient, equitable and responsive cities. Though multi stakeholder consultations and people's participation form the basis of JNNURM, many of the CDPs failed to go beyond token participation. In fact most CDPs were prepared by consultants appointed by the municipalities. These consultants in many cases did not belong to the city for which the CDP was being prepared and hence were quite removed from the local issues/ problems and people. The time period given for preparation of CDPs (3 months) was not adequate to garner adequate public participation and hence in most places, a couple of meetings with ward councilors are considered as citizens' participation in the CDP. Most CDPs were prepared within the cost of Rs.10-15 lakh which is a very small amount to conduct full-fledged surveys; get updated data and infrastructure requirements. Thus, most CDPs have rehashed data from 2001 census and old master plans of cities.

3.2. Community Participation Law (CPL) (Nagar Raj Bill)

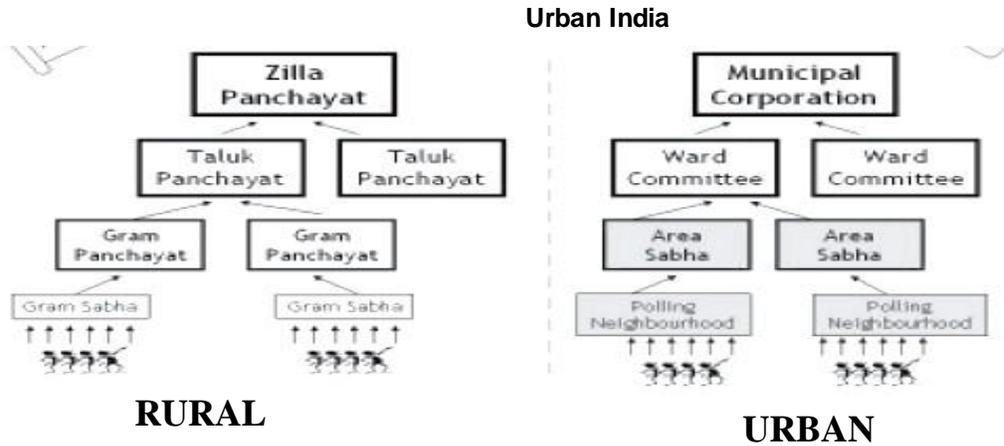
The community participation law is a mandatory State level reform proposed within the JNNURM. It is a step beyond the 74th Amendment to that is necessary to create institutionalized spaces for citizen participation.

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Historically, Indian villages have had the three tier structure of gram sabha -gram panchayat – zila panchayat which has reached even the last villager as every village has a gram sabha of which all villagers are members. This three-tier structure was reinforced with the passage of the 73rd CAA. Presence and active involvement of Civil society and the voluntary sector in rural areas has helped reinforce this structure too.

In urban areas, we saw a different story. There was no historical structure where citizens could collectively voice their opinion and discuss issues of development. In 1993, The 74th Amendment made constitutional provision for Ward Committees (WCs) under the Municipal Corporation. Each WC comprises of an elected councillor of the ward along with residents of the ward as members. In practice, these committees have proved ineffective as they represent too large group of people (more than 2-3 lakhs sometimes). Moreover, they have no powers or funds. Thus, the Community Participation Law (or Nagar Raj Bill) proposed the third tier, the Area Sabhas to bring the local government closer to the people. Each polling booth or a group of polling booths could constitute an Area Sabha where all residents with voting rights are members. Area Sabhas meet frequently and discuss the development issues related to the immediate neighbourhood and Area Sabha representatives present these in Ward Committees that are directly linked to the municipality, thus providing every citizen with access to the local government.

Figure 2: Diagrammatic Representation of Three tier structures of local governance in Rural and



Source: CCS series on NURM reforms- No. 2 – February 2007

3.3. Public Disclosure Law (PDL) (Model Municipality Disclosure Bill)

A public disclosure law will make it statutory on the municipalities to publish information periodically suo moto i.e. on its own. The idea is that the citizens will not have to file requests under the Right to Information (RTI) Act to obtain basic information. This may include financial statements, project details and other such information which may be of common interest to the citizens.

As per the JNNURM, the core objectives of the PDL are:

- To provide appropriate financial and operational information on various municipal services to citizens and other stakeholders
- To promote efficiency and consistency in the delivery of public goods and services by the municipality

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- To enable comparison over time (of a particular ULB) and space (between ULBs) by disseminating information in a structured, regular and standardized manner

Its main aim is to make ULBs more accountable and transparent besides building an effective communication and information channel between the local state and union governments.

3.4. Repeal of Urban Land Ceiling Act and Reform of laws related to rent control

The objective of the Urban Land (Ceiling & Regulation Act), 1976, (hereafter ULCRA) was to facilitate the availability and affordability of urban land by increasing its supply in the market and by establishing an efficient land market. The ULCRA provided for imposition of a ceiling on both ownership and possession of vacant land; acquisition of excess vacant land by the state government with powers to dispose of the land for the common good; payment of compensation for the acquisition of the excess land; and granting exceptions in respect of certain specific categories of vacant land. The implementation of the ULCRA in the states and UTs was, however, not found to be at all satisfactory. Since the ULCRA has not met its intended objectives, the Government of India decided to repeal the Act with the passing of the Urban Land (Ceiling and Regulation) Repeal Act, 1999. Various states subsequently repealed the Act.

Repeal of the ULCRA has been included as one of the mandatory reforms in JNNURM. States have to commit to repealing it within a committed time frame. It is envisaged that the repeal of the Act would go a long way in reviving the stagnant housing industry and facilitate construction of dwelling units both in the public and private sector. But so far there is no evidence based knowledge about how much land has become available after the repeal and how it has been used.

Amendment of rent control laws is one of the mandatory reforms in JNNURM. States are expected to implement the reform within the Mission period. It is widely recognized that the existing rent control laws are biased in favor of the tenant. The objective of the reform of rent control act is to bring out amendments in existing provisions for balancing the interests of landlords and tenants. Reform in the rent control laws will go a long way in improving housing situations in urban areas, lessen distortions in the market, and have beneficial impact on urban finances. In June 2011, 15 states had still to take action on this reform.

3.5. Revision of building by laws to streamline approval process for construction and site development and also to include water conservation measures

JNNURM requires certain optional reforms to be undertaken by states/ cities towards streamlining of the building approval process, with the broad objective of establishing a simple, transparent and less time-consuming process that encourages development. The need for the reform arises due to the fact that the procedure for acquiring sanction

for building plans/ obtaining building permit is very long drawn in most cities. This reform has been carried out by all states and a number of cities have computerized the building sanction procedure.

The main objective of making rainwater harvesting mandatory in all buildings is to recharge groundwater and augment overall water availability. This measure will ensure that the rain falling on all buildings is tapped and directed to recharge groundwater

aquifers or stored for direct consumption/ use by occupants of buildings. With increasing population in urban areas, the municipal bodies and other public agencies are increasingly finding it difficult to supply water in adequate quantities to citizens. Often citizens use private tube wells to supplement the municipal supply for their daily needs.

The mandatory reform agenda of

JNNURM requires that states should revise their building byelaws to make rainwater harvesting for all new building works.

THINK TANK

Answer these Questions:

- Do you know the role of the Mayor of your city?
- Has the Mayor ever presented the city plan to the citizens like Mayors of London/ New York?
- Have you ever met the ward councilor of your ward?

Have you ever attended an Area Sabha or a ward meeting?

SUMMARY

This Module discussed and described the issues related with Governance from different angles. It helped us in understanding the concept of Governance and the imperatives of good Governance. The example of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) gave us an insight of the issues discussed in this Module.

Annex 1: Cities under JNNURM

List of Identified Cities Eligible for JNNURM

Category A Mega Cities/ UAs		Category B Million plus Cities/ UAAs		Category C* Cities/ UAAs with less than one million population	
(1)	Delhi	(1)	Patna	(1)	Guwahati
(2)	Greater Mumbai	(2)	Faridabad	(2)	Itanagar
(3)	Ahmedabad	(3)	Bhopal	(3)	Jammu
(4)	Bangalore	(4)	Ludhiana	(4)	Raipur
(5)	Chennai	(5)	Jaipur	(5)	Panaji
(6)	Kolkata	(6)	Lucknow	(6)	Shimla
(7)	Hyderabad	(7)	Madurai	(7)	Ranchi
		(8)	Nashik	(8)	Thiruvananthapuram
		(9)	Pune	(9)	Imphal
		(10)	Cochin	(10)	Shillong
		(11)	Varanasi	(11)	Aizawl
		(12)	Agra	(12)	Kohima
		(13)	Amritsar	(13)	Bhubaneswar
		(14)	Vishakhapatnam	(14)	Gangtok
		(15)	Vadodara	(15)	Agartala
		(16)	Surat	(16)	Dehradun
		(17)	Kanpur	(17)	Bodhgaya
		(18)	Nagpur	(18)	Ujjain
		(19)	Coimbatore	(19)	Puri
		(20)	Meerut	(20)	Ajmer-Pushkar
		(21)	Jabalpur	(21)	Nainital
		(22)	Jamshedpur	(22)	Mysore
		(23)	Asansol	(23)	Pondicherry
		(24)	Allahabad	(24)	Chandigarh
		(25)	Vijayawada	(25)	Srinagar
		(26)	Rajkot	(26)	Mathura
		(27)	Dhanbad	(27)	Haridwar
		(28)	Indore	(28)	Nanded

* The National Steering Group (NSG) may consider addition or deletion of cities/ UAAs/towns under Category C (other than State capitals) based on the suggestions received from State Governments. The total number of cities under the Mission shall, however, remain around 60.

Annex 2: Reforms under JNNURM

1. MANDATORY REFORMS

There will be two sets of mandatory reforms. Core reforms at ULB/Parastatal level aim at process re-engineering through deployment of technology to enable more efficient, reliable and timely services in a transparent manner. The other set of reforms are framework related at State level.

Urban Local Body / Parastatal Level Reforms

- Adoption of modern, accrual-based double entry system of accounting in Urban Local Bodies/Parastatals
- Introduction of system of e-governance using IT applications like, GIS and MIS for various services provided by ULBs/Parastatals.
- Reform of property tax with GIS so that it becomes major source of revenue for Urban Local Bodies (ULBs) and arrangement for its effective implementation so that collection efficiency reaches at least 85% within next seven years.
- Levy of reasonable user charges by ULBs/Parastatals with the objective that full cost of operation and maintenance or recurring cost is collected within next seven years. However, cities/towns in North East and other special category States may recover at least 50% of operation & maintenance charges initially. These cities/towns should graduate to full O&M cost recovery in a phased manner.
- Internal earmarking within local body, budgets for basic services to the urban

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poor.

- Provision of basic services to urban poor including security of tenure at affordable prices, improved housing, water supply, sanitation and ensuing delivery of other already existing universal services of the Government for education, health and social security.

State Level Reforms

- Implementation of decentralization measures as envisaged in 74th Constitution Amendment Act. States should ensure meaningful association/engagement of ULBs in planning function of para-statals as well as delivery of services to the citizens.
- Repeal of Urban Land Ceiling and Regulation Act.
- Reform of Rent Control Laws balancing the interests of landlords and tenants.
- Rationalisation of Stamp Duty to bring it down to no more than 5% within next seven years.
- Enactment of Public Disclosure Law to ensure preparation of medium term fiscal plan of ULBs/Parastatals and release of quarterly performance information to all stakeholders.
- Enactment of Community Participation Law to institutionalize citizen participation and introducing the concept of Area Sabha in urban areas.

- Assigning or associating elected ULBs with “city planning function”. Over a period of seven years, transferring all special agencies that deliver civic services in urban areas to ULBs and creating accountability platforms for all urban civic service providers in transition.

2. OPTIONAL REFORMS (Common to State and ULBs/Para-statals)

- Revision of bye-laws to streamline the approval process for construction of buildings, development of sites etc.
- Simplification of legal and procedural frameworks for conversion of agricultural land for non-agricultural purposes.
- Introduction of Property Title Certification System in ULBs.
- Earmarking at least 20-25% of developed land in all housing projects (both Public and Private Agencies) for EWS/LIG category with a system of cross subsidization.
- Introduction of computerized process of registration of land and property.
- Revision of bye-laws to make rain water harvesting mandatory in all buildings and adoption of water conservation measures.
- Bye-laws for reuse of recycled water.
- Administrative reforms i.e. reduction in establishment by bringing out voluntary retirement schemes, non-filling up of posts falling vacant due to retirement etc., and achieving specified milestones in this regard.
- Structural reforms
- Encouraging Public Private Partnership