



GOVERNMENT OF KERALA

**REPORT
OF
THE COMMITTEE FOR EVALUATION OF
DECENTRALISED PLANNING AND DEVELOPMENT**

MARCH 2009

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M.A.Oommen

Chapter 1

Introduction

1.0 The Government of Kerala constituted this Committee vide G.O (Rt) No. 326/2007/LSGD dated 30.01.2007 for the evaluation of decentralised planning and development over the last ten years and to submit recommendations to the Government. Professor M.A.Oommen, Malcolm Adiseshiah Chair, Institute of Social Sciences, New Delhi was appointed as 'Chairperson with the following as members:

- ◆ A. Kasthuri Rangan, Sarovaram, Sreepuram Road, Poojappura, Trivandrum – 12
- ◆ Prof.J.Chandra, Anjali No.9, Indira Nagar, Peroorkada P.O, Trivandrum – 5
- ◆ Dr.P.Sivanandan, Centre for Development Studies, Medical College P.O, Trivandrum – 11
- ◆ P.V.Unnikrishnan, Member, State Planning Board, Pattom P.O, Trivandrum-4
- ◆ Dr.Michael Tharakan, Institute of Social and Economic Change, Nagarabhavi P.O, Bangalore.
- ◆ Eapen Francis, Additional Director of Panchayats, Trivandrum – 33. (Member Secretary)

The detailed terms of reference were issued as per G.O (Rt) No. 2688/2007/LSGD dated 03.10.2007.

1.1 The specific terms of reference of the Committee are:

1. Evaluate the experience of decentralised planning by Local governments during the Ninth and Tenth Five Year Plans with special reference to the problems of encountered with respect to plans in the productive sector, plans for disadvantaged categories and plans dealing with health and education.
2. Suggest a methodology for improving the quality of planning and implementation with special reference to the sectors mentioned above.

3. Examine issues relating to capacity building for planning and implementation and make recommendations for improving it.
4. Redefine the role of Block Panchayats in the decentralised set up.
5. Suggest a methodology for preparing District Plans as also a perspective Plan at the district level.
6. Suggest action to be taken for building up of a database for planning as well as monitoring performance of Local Governments.
7. Recommend steps to be taken for improving decentralised governance and making it transparent, retrospective and efficient.

1.2 The Committee had collected data for the past ten years from selected LSGIs¹ of all the three regions of the state using standard formats. [See Chapter 2 section 2.4 for more details). The LGs selected are the following.

Northern Region

1. Ayyankunnu Gram Panchayat
2. Iritty Block Panchayat
3. Koothuparamb Municipality

Central Region

1. Koothattukulam Gram Panchayat
2. Pampakuda Block Panchayat
- 3 Kalamassery Municipality

Southern Region

1. Karimkulam Gram Panchayat
2. Athiyanloor Block Panchayat
3. Thiruvananthapuram Corporation

¹ Through out this Report we use LGs, LSGs and LGIs inter-changeably to signify local governments.

1.3 A Seminar was organized at Koothuparamb Block Panchayat to discuss the data collected from the LSGIs in the northern region and the Committee members participated in the seminar and interacted with the elected representatives and officials of the LSGIs.

1.4 Various organisations and individuals submitted their suggestions on the various terms of reference of the Committee. The list of such persons and organisations who represented before the Committee is given in Appendix IA

1.5 The Committee had visited Onchiyam Gram Panchayat, Vadakara Block Panchayat, Vadakara Municipality, Kozhikode District Panchayat and Kozhikode Corporation in Kozhikode District and interacted with the elected representatives and officials.

1.6 The Committee had interactions with the Associations of LSGI chairpersons, Heads of Departments and experts in various fields etc. on various points to be considered. A list of such meetings is also shown in Appendix 1A

1.7 A one day workshop was conducted at Kerala Institute of Local Administration, Thrissur for discussing Capacity Development of the elected representatives and Officials of LSGIs.

1.8 This report has been finalised based on the data collected from selected LSGIs, discussions mentioned above and the internal discussion of the Committee. Professor Michael Tharakan did not attend any of the meetings.

Appendix 1 A
Details of sitting and Meetings along with list of persons who met the
Committee

Sl. No	Date of sitting	Venue	Members Present	Other Participants	Remarks
1	8/20/2007	Chairman's Office	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.Eapen Francis		
2	10/31/2007	Chairman's Office	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.J.Chandra 4.Eapen Francis	1.Dr. G.Gopikuttan 2.Dr.P.Krishnakumar 3.Dr.Joy Elamon	Meeting with Coordinators
3	11/12/2007	Chairman's Office	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.J.Chandra 5.Eapen Francis	1.Dr. G.Gopikuttan 2.Dr.P.Krishnakumar 3.T.P.Sreedharan 4.Mukundan Pillai.MK	Meeting with Coordinators
4	11/19/2007	TRIDA	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.J.Chandra 5.Eapen Francis	1.P.Ayyappan Pillai, Secy., Block Panchayat Assn. 2.Aymanam Babu, Gen.Secy, Block Pt.Assn. 3.K.R.Raveendranath, Vice President, Block Pt.Assn 4.M.A.Rasak,President, Nilambur B Pt 5.S.Nazarudeen, Gen.Secy, Gram Pt. Assn 6.K.Narayanan, President, Gram Pt. Assn 7.Selly George, President, Block Pt, Uzhavoor 8.L.Vijaya kumari, Secy, Karumkulam G.Pt 9.P.Bose, Secy, Ayyankunnu G.Pt. 10.Dr.P.Krishnakumar 11.M.Vijayakumar 12.Yesurajan.A, President, Karumkulam G.Pt. 13.P.N.Aboobacker Sidhique, Secy, Koothattukulam G.Pt 14.Dr.G.Gopikuttan	Meeting with Associations of LSGI Chairpersons and Office bearers of G.Pts. selected for data collection

5	11/27/2007	TRIDA	1.Dr. M.A.Oommen	1.Lal Rwandan, BDO, Athiyannur Block Pt	Meeting with Secretaries of LSGIs selected for data collection and co-ordinators
			2.Kasturi Rangan	2.PK Alexander, Secretary, Pampakuda Block Pt	
			3.J.Chandra	3.C.Narayanan, BDO, Iritty Block Pt	
			4.Eapen Francis	4.M.P.Bhattathiripad,	
				5.N.K.Sreenivasan, Chairman, Koothuparamba B Pt	
				6.L.Ravi Kumar, Vet Surgeon	
				7.R.Sreekumar, Supdt. TvpM Corporation	
				8.P.Krishnakumar	
				9.Dr.G.Gopikuttan	
6	12/18/2007	TRIDA	1.Dr. M.A.Oommen	1.Joy Elamon	Work shop on District Plan
			2.Kasturi Rangan	2.Danesh Kumar, RASTA, Wayanad	
			3.P.Sivanandan	3.Dr.G.Surendran, Joint Director of Agriculture	
			4.J.Chandra	4.Usha kumari PR, Town Planner, o/o the CTP	
			5.Eapen Francis	5.Jacob Easow, STP, o/o the CTP	
				6.Dr.Sreekumar Chattopadhyay, Scientist, CESS	
				7.Dr.R.P.Nair, ISS	
				8.D.Mohanan, ISS	
7	1/8/2008	Onchiyam Gram Panchayat, Kozhikode	1.Dr. M.A.Oommen	1.K.K.Kunhikannan Master, President, Onchiyam G Pt.	
			2.Kasturi Rangan	2.K.Jayan, secretary	
			3.P.Sivanandan	3.V.V.Raghavan, Chairman, Welfare Standing Committee	
			4.J.Chandra	4.K.Gangadhara Kurup, Chairman, Development Standing Committee	
			5.Eapen Francis	5.V.P.Babu, Member	
				6.N.P.Bhaskaran master, Member	
				7.V.Balakrishnan, Former President	

				8. P.K.Chathu, Former Chairman, Welfare St.com.	
				9. K.K.Kamala, Former Chairman, Dev.St.com.	
				10.C.Sugathan, BLEC Co-ordinator, 9th Plan	
				11.Kakkatt Chandran, Member	
				12.Vimala Punneri, Member	
				13.Arundhathy TP, Member	
				14.Leela TP, Member	
				15.Geetha Manoly, Member	
				16. C.K.Venugopalan, Implementing Officer, Edu. Sector	
				17.Dr.A.Ramachandran, M.O., Ayurvedam	
				18.T.K.Soman, Jt. Convenor, Vikasana Samithi, 9th Plan	
				19.K.M.Sathyan, Convenor, Vikasana Samithi, 9th Plan	
				20.C.Balakrishnan, Member	
				21.Poyil Gangadharan, Member	
				22.V.Ranjith, Member	
				23.EK Ramakrishnan, Matsya Bhavan Othican	
				24.Agricultural Officer	
				25.K.Jeenabai, LVEO	
				26.Dr.Usha.N, Medical Officer	
				27.Leela.P, ICDS Supervisor	
				28.Divarakan KK, Secy, ULCCS	
8	1/9/2008	Vadakara Block Panchayat	1.Dr. M.A.Oommen	1.EM Dayanandan, President, Vatakara BP	
			2.Kasturi Rangan	2.VP Gopalakrishnan, Member	
			3.P.Sivanandan	3.KK Krishnan, Vice President	
			4.J.Chandra	4.PV Dasan, Member	
			5.Eapen Francis	5.Sajith Kallidukkil, Member	
				6.P.Janu Naik,	

				7.AK Kunhikanaran, Member
				8.P Kunjappa Master
				9.Alice Vinod, Dev. St. Committee Chairman
				10.Prajitha CH ,President, Onchiyam GP
				11.Dolly P, ADA in charge
				12.KT Kelappan, Co-ordinator
				13.N Ramesh, Dairy Extn Off
				14.Dr.KP Sunil kumar, Sr.Vet.Surgeon
				15.Jeeja KP, Member
				16.M.Lalitha,Member
				17.AK Sreedevi,EO(WW)
				18.OP Premi, Member
				19.Venugopal, JHI, CHC
				20.Damodaran TM, SCDO
				21.Asokan AM, Head Clerk
				22.K.Chandrasekharan,GEO
				23.KM Ramakrishnan, BDO
				24.AT Sreedharan, President, Azhiyoor GP
9	1/9/2008	Vadakara Municipality	1.Dr. M.A.Oommen	1. TP Chandran, Chairman
			2.Kasturi Rangan	2. PP Vimala Teacher, Vice Chairman
			3.P.Sivanandan	3. Sathyanathan, Convener, Edn. Working Group
			4.J.Chandra	4. A.Premanathan, Agr. Asst
			5.Eapen Francis	5.AS Balu George, SI Fisheries
				6. PP Chandran, UDC
				7. Balachandran CK, Planning Accountant
				8.M Kumaran, Councillor
				9.VP Dasan, Councillor
				10.PK Jalaludeen, Councillor
				11.Mukkolackal Hamsa, Chairman, Dev. St.Committee
				12.T Kelu, Councillor

				13.Abdul Farooq P, 14. Mukundan TM, UDC 15.P Kunhikannan, Councillor 16.Prasanna Kumar, UDC 17. A.Krishnan, Supdt. 18.VP Savitha, Councillor 19.A Chandran Nair, Supdt 20.Suresh Kumar N, UDC 21.Sivadasan, UDC 22.T Bhaskaran, Councillor 23.PM Usha, Revenue Officer 24.Vanaja KK, Councillor 25.P Prem Kumar, SCDO 26.TK Manojan, LDC 27.Edayath Sreedharan, Chairman, Health-Edn St. Committee 28.C Radhakrishna Kurup, Secretary 29.Manojan Koyape, Plan Coordinator 30. K Balakrishnan, Mun. Engineer 31.K Muhammed Basheer, AE	
10	1/10/2008	Kozhikode District Panchayat	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.J.Chandra 5.Eapen Francis	1.KP Kunhahammed Kutty Master, President, 2.AK Nanu Master, Member 3.K Sheeba, Member 4.Edathody Radha, Member 5.VP Kutti Sankaran, Secretary 6.K Chandran Master, Chairman, Dev.St.Com 7.sathyan KI, ADMC, Kudumbasree 8.S Selvest, DD Fisheries 9.KK Ragini, Member 10.Oamjie John, Research Consultant, MCITRA 11.Mary John, Director, MCITRA	

				12. Palluruthy Joseph, Member
				13.AK Gopalan, Member
				14.Vasudevan PM, AD Dairy Dev
				15.PB Moideenkutty, Jsuptd
				16.KV Chandran,ADDO,SC
				17.Dr.PK Venugopalan, DMO(ISM)
				18.Vasu Thacharody, Programme Off, ICDS
				19.Dr.L.Geetha, CMO
				20.Dr.Jane Mercy, DMO(Hom)
				21.TK Myravathy, Asst Dist. Industries Officer
				22.Jaya, I Grade D'man, Soil conservation
				23.Abhilash AN JS, DDP
				24.M Lakshmi, Member
				25.Dr. KP Kunhi Mohammed, DD (AH)
				26.dinesh Perumanna, Member
				27.Dr.siby K Chacko, Vet Surgeon,
				28.M Pradeep, Agr.Off
				29.B Babu, Proj Officer, Dist. Khadi & V I Office
				30.T Moideenkunju, Member
				31VK Savitha Rani, member
				32.C Radhabai, Member
				33.KK Raveendran, Member
				34.Mohammed master, Member
				35.Reina Umma KP, Asst Soil chemist
				36. OPI Koya, member
				37.KC Subramaniyan, AE
				38.Ranjini PK, PAO(i/c)

				39.Valsala MD, DPC, Dist Lit Mission
				40. P Vijaya kumar, Project Director, PAU
				41.T.Ahammed Kabeer, AE (Agri)
				42. Dr.E.Divakaran, Supdt, Dist Ayur. Hospital
				43.P Radhakrishnan, HC, Tribal Dev Office
				44. K.Sankaran, Member
				45.Shylesh, LDC
				46.Muraleedharan, UDC
				47.Suresh,LDC
				48.Ramachandran, UDC
				49.Vineeth KP, UDT
				50.Shajahan KA, UDC
				51.M Shereef, UDC
				52.P.Sudhakaran
				53.Shylaja K, UDC
				54.Nishanth R, UDC
				55.Ayadathil Raveendran, Member
				56.TP Govindankutty, Ex-Dist Coordinator
				57. PK Anil kumar, JS
11	1/10/2008	Kozhikode Corporation	1.Dr. M.A.Oommen	1.M Bhaskaran, Mayor
			2.Kasturi Rangan	2.PT Abdul Latheef, Dy.Mayor
			3.P.Sivanandan	3.Gopalakrishnan P, Secretary I/C
			4.J.Chandra	4.Radha mohan, PA to Mayor
			5.Eapen Francis	5.Prof. Sethumadhavan Nair, Councillor
				6.T.Damodharan, AEO
				7.Ramesh KP, AEE
				8.Sreejith MK, Project Engineer
				9. P Mammed Koya, Chairman, Tax AppealSt.Com.

				10.PK Mamukoya, Councillor
				11.Dr.M.Anand,Vet Surgeon
				12.Dr.Beenakumari,Health Officer
				13.Chalana Sreemathy, Councillor
				14.Najma K, Councillor
				15.Bichikoya NP, CDPO
				16.VK Rathan Singh, CDPO
				17.Sherly Pramod, Councillor
				18.KT Beeran Koya, Councillor
				19.V Raveendranathan, Agri. Field Officer
				20.Cherian Thomas, DD Agri
				21.KT Pradip Kumar, Project EE
				22.Harigovind, AEE
				23.Sivaprasad, PO, Kudumbasree
				24.Mohanadasan, Ind Ex.Off
				25.Suhara avaran,
				26.K Zubair, Councillor
				27.PK Nazar,
				28.Melady Narayanan, Chairman, TPC
				29.TK Venu, Councillor
				30.KV Baburaj, Councillor
				31.M Sreeja, Councillor
				32.Prameela Balagopal, Councillor
				33. P.Kishan Chand, Chairman, St.Com.
				34.Bhagyalatha, FDO
				35.EM Girija, Councillor
				36.Sobhana Thattari, Councillor

12	1/15/2008	KILA	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.Eapen Francis		Work shop on Capacity building
13	2/4/2008	TRIDA	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.Eapen Francis	1. P Mohandas, Kerala Statistical Institute 2. Dr.RP Nair, ISS 3. N.Gopalakrishnan Nair, Formerly State Planning Brd. 4. Prof. PP Sahai, Former HOD, John Mathai Centre, TSR 5. M.R.Balakrishnan, Director, Eco&Stat 6. A Meera Sahib, Director, Institute for Monitoring Economic Growth 7. Dr.M.Kuttappan, Director, Kerala Statistical Institute 8. S Ramachandran Pillai, Asst Professor, IMG (Rtd) 9. Dr.Joy Elamon, Chief Programme Coordinator, SDC-CapDeck 10.Nirmala S George, Monitoring Coordinator, SDC-CapDeck 11.Mariamamma Mathew, Ad.Asst, Urban affairs Dept 12.D.Mohanan, ISS 13.N.Navaprakash, IKM 14. D.Rajan, Add. Director, DES	Work shop on Database analysis
14	2/14/2008	Chairman's Office	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.J.Chandra 5.Eapen Francis		
15	3/3/2008	Koothuparamba Block Panchayat	1.Kasturi Rangan 2.P.Sivanandan 3.J.Chandra		

16	3/19/2008	TRIDA	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.J.Chandra 5.P.V.Unnikrishnan 6.Eapen Francis		Presentation of data collection by Regional co-ordinators
17	4/11/2008	TRIDA	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.J.Chandra 5.P.V.Unnikrishnan 6.Eapen Francis	P.Ayyappan Pillai Aymanam Babu, Gen.Secy., Block Pt.Assn MA Rasak, Vice Pdt., Block Pt.Assn MA Khadar, President, Thirurangadi B P S.Nazarudeen, Gen.Secy, Gram Pt.Assn Beena Sunny, Vice Pdt, Gram Pt. Assn. A.Ibrahim kutty, President, Nagaroor GP B Balachandran, President, Manickal GP Biju Mohan V, GP Assn Executive Dr.J.B.Rajan, KILA	Meeting with Associations of LSGI Chairpersons
18	6/28/2008	Chairman's Office	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.Eapen Francis	Dr.Joy Elamon	
19	7/22/2008	Chairman's Office	1.Dr. M.A.Oommen 2.Kasturi Rangan 3.P.Sivanandan 4.J.Chandra 5.Eapen Francis		
20	8/2/2008	Chairman's Office	1.Dr. M.A.Oommen 2.J.Chandra 3.P.Sivanandan 4.A.Kasturi Rangan 5.Eapen Francis		
21	8/25/2008	TRIDA	1.Dr. M.A.Oommen 2.P.Sivanandan	Dr.CK Jagadeesan, RO(ORT), DHS, Tvp V.Ramachandran, JD, Economics & Statistics	Meeting on Health sector

			3.J.Chandra	V.Ramankutty, Professor, ATIC, SCTIMST	
			4.A.Kasturi Rangan	Director of Homoeopathy	
			5.Eapen Francis	Director of ISM	
22	9/16/2008	Chairman's Office	1.Dr. M.A.Oommen		
			2.J.Chandra		
			3.P.Sivanandan		
			4.A.Kasturi Rangan		
			5.Eapen Francis		
23	9/20/2008	Chairman's Office	1.Dr. M.A.Oommen		
			2.P.Sivanandan		
			3.Eapen Francis		
24	9/27/2008	Chairman's Office	1.Dr. M.A.Oommen		
			2.A.Kasturi Rangan		
			3.Eapen Francis		
25	11/20/2008	TRIDA	1.Dr. M.A.Oommen	VN Jithendran, CRD	Meeting with HODs
			2.P.Sivanandan	AK Sasikala, JD(A), Urban Affairs	
			3.J.Chandra	Dr.V.M.Gopala Menon, Director of Panchayats	
			4.Katuri Rangan	C.Radhakrishnan, JD(A), Panchayats	
			5.Eapen Francis		
26	2/16/2009	TRIDA	1.Dr. M.A.Oommen		Discussion on draft report
			2.Kasturi Rangan		
			3.J.Chandra		
			4.Eapen Francis		
27	2/26/2009	TRIDA	1.Dr. M.A.Oommen	T.Bhasi, DLFA	
			2.Kasturi Rangan		
			3.J.Chandra		
			4.P.Sivanandan		
			5.Eapen Francis		

Chapter 2

History, Framework and Approach

2.0 This Chapter is prefaced by a brief history of the evolution of decentralization and decentralized governance in Kerala. Then we outline the framework and approach.

2.1 The Historical Settings

2.1.1 The history of panchayati raj system in Kerala from the first Kerala Ministry (1957) till date has been a chequered one and has been influenced by the ups and downs of coalition politics in the state. In 1956 when Malabar was integrated with Travancore-Cochin state to form the present day Kerala, there were 892 panchayats. Their major sources of revenue were land cess, building tax, profession tax, vehicle and entertainment taxes.

2.1.2 The first Ministry of Kerala state appointed an administrative reform committee with the Chief Minister (E.M.S.Namboodiripad) as chairperson to suggest measures for the democratization of the organs of government at various levels. The committee recommended the strengthening of panchayats in the state as viable units of administration and development in the state. Following the recommendations of the committee, the Kerala Panchayat Bill (1958) and the District Council Bill (1959) were placed in the state assembly. The functions of the district council envisaged included development matters and the council was to become eventually an autonomous executive body. Looking back one can see that these legislations were way ahead of the times. The bills could not be enacted into law as the Ministry was dismissed by the Central Government and the State Assembly was dissolved. The new government that was formed after the general elections, passed the Kerala Panchayat Act, 1960 incorporating several recommendations of the Balavantray Mehta Study Team (1957). This

came into force from January 1, 1962. The Act, besides unifying the laws existing in Malabar and the Travancore-Cochin state, sought to enlarge the functional domain and financial resource base of the panchayats. Despite the legal expansion of functions, for all practical purposes, the operational domain of village panchayat was confined to traditional civic functions only. Based on the new Kerala Panchayat Act the first panchayat election in Kerala state was held by the end of 1963 and the new panchayats came into existence on January 1, 1964. There were 922 village panchayats in the state on that date. Today the number has risen to 1000.

2.1.3 In 1964, the next government which came to power introduced the Kerala Panchayat Union Councils and Zilla Parishad Bill largely modelled on the recommendations of the Balvantray Mehta Study Team (1957) and incorporating an intermediate tier at the block level to do planning and rural development called Union Council and an advisory council called Zilla Parishad at the district level. This bill proved to be an abortive effort as the Ministry fell again and an era of President's rule followed. After a long spell of central administration, following a general election a new ministry was formed in 1967 with E.M.S.Namboodiripad as Chief Minister. A fresh bill called the Kerala Panchayat Bill, 1967, was introduced in the state legislature. This bill envisaged a two-tier system at the village and district levels. The Zilla Parishad was to have executive functions and some sources of revenue with powers of supervision and control over the gram panchayats. The bill was referred to a select committee which made drastic revisions. This too did not become law as the Legislative Assembly was dissolved in August 1970. But the bill was revived as Kerala District Administration Bill in 1971 by the Ministry under C.Achutha Menon. Actually due to a variety of reasons it was left to the next government under A.K.Antony to enact a slightly modified legislation called Kerala District Administration Act, 1979. This Act however was kept in cold storage for long due to several

contradictions and problems in the law. The E.K.Nayanar Ministry that came to power in 1986 attempted to renew the process of decentralization. They appointed a committee under the former Chief Secretary of Kerala and later on Vice Chairman, State Planning Board V. Ramachandran to study the shortcomings of the existing legislations and make suggestions. This Report (1988) entitled *Report on the measures to be taken for democratic decentralization at the District and lower levels*, recommended drastic amendments. The state government however made only minimum amendments. Elections were held for District Councils at the eve of 1990 and the District Councils came into existence in February 1991. The Government that came to power in May 1991 in the state wanted to reverse the decentralization initiatives taken. While the Annual Plan outlay for 1991-92 for district councils was Rs.250 crore, the government reduced it to a paltry sum of Rs.1.97 crore in the next year's budget. Not only that the District Councils were dissolved various measures were taken which virtually to put the clock back. It was at this point that the historic 73rd and 74th Constitutional Amendments happened.

2.1.4 Having briefly traced the history, it is important to reiterate some of the features of the pre-amendment panchayat regime of Kerala. First, Kerala except for a very brief inconsequential period of District Council in the early 1990s, had only a Gram (Village) Panchayat system. The several Bills introduced by the various governments since the first Kerala Ministry (1957-59) recommended only a two-tier panchayat system besides the municipalities. Second, the village panchayats had a fairly good revenue base. It had powers to levy property tax, profession tax, entertainment tax, show tax etc. Third, expenditures were confined largely to traditional civic functions. Fourth, statutorily every panchayat was required to formulate annual budget of receipts and expenditure and had to maintain a five percent budgetary balance. Fifth, Kerala has had a tradition of raising own revenue and had generally raised large amounts by

comparison with other states. As far back as 1960-61 the average own revenue of Kerala Panchayats was the highest among the Indian States with Rs.10902 per panchayat as against an all-India average of Rs.1798. (See GOI 1964: 55). Own tax revenue as a percentage of total receipts was 33 per cent in 1990-91 and 38 per cent in 1991-92 and including non-tax revenue, and assigned revenue, own revenue was over two thirds of the total income of gram panchayats (See Kerala SFC Report 1996: Table 4.2). This shows the high fiscal base of Kerala which is in sharp contrast to what obtained in the rest of the country.

2.1.5 The 73rd /74th Constitutional amendments set the stage for a new decentralized regime and Kerala's initiatives helped to alter the character of decentralized democracy in the state of Kerala which surely was not one among the frontliners of decentralization. The real watershed was the People's Plan Campaign (PPC) launched by the Left Democratic Front (LDF) government in mid-August 1996 with its land mark decision to devolve 35-40 per cent plan funds to local governments. A new era of participatory planning from below has been set in motion. At that time no one thought this would evolve into a new discourse on democracy and development. The Committee on Decentralisation (Popularly called Sen Committee after its first Chairman SB Sen) appointed almost at the time of the launching of the PPC recommended the necessary institutional reforms (activity mapping, performance audit, ombudsman, state development council, right to information, citizens charter etc) and legislative framework for functional, financial and administrative autonomy. Through a series of amendments to the conformity legislations viz. Kerala Panchayat and Municipality Acts of 1994, a radical restructuring was done by February 1999. The necessary rules were also made. In order to provide proper space for local governments in the legal structure of the state 45 legislations were identified and 35 of them amended. Some were even dropped.

2.1.6 The United Democratic Front (UDF) government which came to power in 2001, not only changed the nomenclature of people's plan to Kerala Development Programme (probably to take the process away from a campaign mode into a more 'institutional' set up) certain significant amendments were made which virtually put the clock back . Nearly fifteen years have passed since the enactment of the conformity legislations. Taking the PPC as the benchmark it is only twelve years, a little over two decades. Broadly the task of this committee was to review the performance of this period.

2.2 The Frame work

Our approach is conditioned and contextualized within a conceptual and constitutional frame work. The two are complementary and mutually reinforcing.

2.2(a) The Conceptual Framework

2.2.1 Decentralised governance is a process, a meaningful march towards participatory democracy. It has intrinsic value and instrumental importance. It is a value that enhances the quality of citizenship. It is a way or process of building capabilities to participate. Equally important is its instrumental importance for development and freedom. To make democracy effective it should progressively improve. Since the concept of decentralization is variously defined and differently understood, we have to define the concept. Administrative reorganization in the nature of 'deconcentration' or 'delegation' is sometimes described as decentralization. Deconcentration refers to the transfer of administrative authority from the higher levels of government to the lower ones in order to give more freedom to the latter in delivering services or producing public goods. When a government at the Centre or at a state entrusts the implementation of certain poverty alleviation projects to the panchayats or to some specially constituted bodies, it becomes an instance of 'delegation'. There

may be different degrees of either 'deconcentration' or 'delegation', but in both cases, the political power to take the ultimate decision does not get transferred. The staple of political power consists in making value judgments (e.g. what should or should not be done for people) and allocating resources (who should get what, when and how). The agents exercising deconcentrated or delegated power remain accountable to the higher authority and not to people directly, as the authority to take ultimate decisions rests with the former. Although a local government may take up an agency function or functions of a higher government it is not primarily an agent. The agency concept is antithetical to the very idea of self-government

2.2.2 Administrative reorganizations such as deconcentration or delegation cannot be equated with what is called democratic decentralization, which envisages devolution of political power to the democratically elected local councils. Under such decentralization, the functions or activities are transferred from higher level government to the local level governments and the latter bear full responsibility of the devolved functions or activities. Accordingly for all such transferred functions or activities or institutions, the local governments remain accountable to people. In fact, the intrinsic value of democratic decentralization lies in deepening and enriching the practice of democracy by making government more accessible and responsive to the people. That way the avenues of people's participation and the possibilities of ensuring transparency and accountability are enhanced. **Decentralisation is often advocated by many, particularly the international donor agencies, for its unique potentiality for improving the delivery of public services at the local level. But, that is the instrumental value of local democracy. We may define decentralization as the empowerment of the common people through the empowerment of the local governments².**

² [See also Oommen, ed, (2008), Introduction]

2.2.3 Autonomy is the essence of empowerment. In the context of empowering and building the capabilities of local governments five aspects are crucial in a federal system. One, autonomy with reference to assigned functions. In a federal polity like that of India most local government functions are state – concurrent. It is difficult for a local body to take *suo motu* action even in their functional domain. (The 11th and 12th schedules of the Indian Constitution lose all operational significance here). However, considerable confusion and overlapping can be avoided through clear activity mapping³. Scope for initiatives and independent action in regard to the assigned activity domain is not constrained. Two, fiscal decentralization is a logical corollary of functional devolution. It refers to the revenue raising powers that match expenditure responsibilities assigned and the arrangements made for efficient vertical and horizontal transfers. Three, administrative autonomy. The local governments should have adequate administrative and engineering personnel to carry out the financial responsibilities they are mandated to perform. They should enjoy adequate power to manage them. Surely local governments should not to be treated as appendages to any department be they rural department or panchayat or urban affairs or whatever. Here it is important to note that under a federal system of multi-layered governments, autonomy does not mean complete independence. National goals (e.g. poverty reduction) and regional developments need guidance. Even untied grants must be subjected to a clear set of guidelines evolved through a consultative process. **A department that wants to control or a local government that waits always for guidance or ‘orders’ from above are enemies of meaningful decentralization. Coalition politics that nurses departmentalism needs to be guarded against.**

³ Kerala which pioneered activity mapping in India has done the commendable feat of preparing a detailed responsibility mapping outlining the role and responsibilities of the gram panchayat (GP) the block panchayat (BP), the district panchayat (DP), the municipality/corporation and the state.

2.2.3.1 The fourth critical aspect of decentralization may be referred to as institutional decentralization. Although the literature on the subject is totally silent on this, it is important that all major institutions that have a direct bearing on the functions devolved must be transferred to the appropriate level of government. In Kerala critical institutions of public service like primary health centres, schools, anganwadis, veterinary institutions, krishi bhavans, hostels for scheduled castes and so on have been transferred to local governments. This enhances the need and compulsion for more devolution of resources, personnel and administrative control.

2.2.3.2 All efforts towards decentralization can be torpedoed if you create parallel institutions and structures outside the local governments to do the same set of functions. It may also be that different agencies exert pressure on the same set of institutions for the delivery of almost identical services or programmes. Taking into account practical difficulties, the best that can be done is what the second Round Table Conference of State Panchayati Raj Ministers laid down: *“If for reasons of institutional constraints, parallel bodies have been set up or are to be set up, these must be brought into an organic symbiotic relationship with the PRIs at the appropriate level so that PRIs are fully involved with the work of the parallel bodies”*.

2.2.3.3 The fifth aspect refers to responsiveness. Decentralisation brings government closer to the people spatially and institutionally. Decisions that a local government make should reflect the felt needs of the community. The *raison detre* of the institution of gram sabha/ward sabha is based on this. **The creation of effective, accessible and transparent grievance redressal machinery should be an integral part of the local government accountability system.**

2.2 (b) The Constitutional Framework

2.2.4 While it is not our purpose to outline the salient features of 73rd /74th constitutional amendments, here we may spell out some aspects that are crucial to our approach. One, it is important to firmly acknowledge that a multi-tiered third stratum is added to the Indian federal polity. By ensuring quinquennial elections as in the case of the centre and the states, and by giving one third representation to women and population-based representation to the traditionally marginalized communities for the various tiers of local governments one can say that political decentralization is well laid down. Two, accountability to the people is the basic rationale of the two amendments. **The acknowledged centrality of the gram sabha (see Article 243 A) is meant to facilitate participatory democracy. It is the vehicle to recapture the rights of the people from the bureaucracy, the proverbial steel-frame. Since the hiatus between those who rule and the ruled has yawned wide even after independence, any step towards empowering the citizen and influencing the material conditions of her living is to be underlined as important. Three, the task of creating institutions of self-government with the responsibility to plan for 'economic development and social justice' (Articles 243G and 243W), local level spatial planning, conservation of natural resources are now left in a substantial measure on to the shoulders of the local governments (Article 243ZD). Four, rural decentralization with a three-tiered structure is the major and vital component of the two amendments. Of these three tiers, gram panchayats should occupy the premier position. It is useful to recall the speech of G.Venkatswamy, the then Minister for Rural Development introducing the 73rd constitution amendment bill on December 1, 1992.**

“I would like, at the out set, to refer to the Directive Principles laid down in Article 40 of the Constitution. This casts a duty on the Centre and State to establish and nourish the village panchayats so as to make them effective, self-governing institutions. However, even after 42 years, we have not been able to fulfill this expectation of the founding fathers of the constitutions”. (Italics

added) Strengthening the GPs is a basic mandate indeed. Five, the 73rd/74th amendments make adequate provisions for fiscal decentralization and rationalization of the state sub state level fiscal relations through the creation of the somewhat unique institution of state finance commission (SFC). Their role is to rectify the vertical mismatches in resources and growing expenditure responsibilities as well as to reduce the horizontal imbalances in infrastructural facilities and service delivery arrangements. On the SFC's role, Venkatswamy noted: "This is a vital aspect of the Constitutional Amendment Bill. It is our hope that this will ensure to the Panchayati Raj Bodies a measure of financial strength which would enhance their autonomy and authority". The fundamental task of SFC is to enhance "the autonomy and authority" of PRIs.

2.2.5 In brief the basic objective of the decentralization amendments is to enhance the quality of governance and ensure better state society relationships to promote participatory democracy

2.3 Our Approach

2.3.1 It is clear to anyone who studies the progress of decentralization among the Indian states that the State of Kerala is way ahead of all others. The necessary conditions for decentralized governance is well laid down. In some important sense Kerala faces second generation problems. Also, Kerala has to strengthen the sufficient conditions that will progressively promote participatory democracy at the local level. The challenging task is to provide autonomy to the assigned activities and reverse many of the age-old departmental traditions and create new conventions which are enabling rather than controlling.

2.3.2 Kerala admittedly has made significant strides in regard to financial devolution. Even so, there is a dire need to strengthen the capabilities of local

governments in core areas of public finance such as planning, revenue mobilization, budgeting, procurement, financial management and auditing.

2.3.3 The need to strengthen the productive sectors notably agriculture, animal husbandry and fisheries is strongly felt. As far back as 1994 inaugurating the International Congress on Kerala studies, EMS Namboodiripad strongly pleaded for increasing production and productivity and identified democratic decentralisation as a powerful agency to achieve it. Has decentralisation delivered in this respect? Along with that we would ask the question whether the quality of public services has improved under the post amendment regime because one of the acknowledged rationale of decentralization the world over is for bettering the delivery of public services.

2.3.4 People's participation in the local level planning process has been the hall mark of Kerala's decentralisation. But now it is fairly clear that it has become routinised and do not form part of a dynamic process. Gram sabha has ceased to be a key agency of change. The civil society groups except probably the Kudumbashree do not get well or gel well with the process of decentralized development. We have tried to revisit the whole process of decentralized planning from gram sabha up to the District Planning Committee.

2.3.5 Our approach is that broadening the avenues of people's participation through a multi-stage process of decentralized planning *per se* is only one aspect and unless supported with adequate technological and professional base would lose direction, consistency and efficiency. Despite the working of the District Planning Committee (DPC) in all the districts there is a clear absence of district level planning. No district has a vision of development leave alone perspective and strategies and technical competence to achieve it. We have tried to provide a detailed approach and methodology of a district plan that envelope the rural and urban areas.

2.3.6 Good data base is the essential prerequisite to any planning. 'Garbage in, Garbage out' as the saying goes. There are serious lacks and gaps which have to be identified and rectified. For proper monitoring good data base is a prime need. If a project, programme or public expenditure is not monitored it is a waste of resource. We held elaborate discussions with the Director, Department of Statistics, former directors and experts in the field to give concrete shape to our approach and recommendations.

2.3.7 Like data base equally important is building systemic capabilities through continuous training programme. We are aware of the National Capacity Building Framework of the Ministry of Panchayati Raj which aims at building the capability of elected representatives at the various tiers. Our approach is that detailed capacity-building framework with KILA as nodal agency should be worked out for the capacity building of functionaries and institutions.

2.3.8 There is a growing feeling among the public and policy makers that the Block Panchayat of Kerala is redundant. We have examined its role through a wide process of consultation. We have taken a view on this and redefined the role of Block Panchayats.

2.3.9 It is widely acknowledged that local governments can play a vital role in enhancing the quality of the health care delivery system and thereby the health status of the local community. Of late in regard to several health care indicators the recent trend had not been something to write home about. The recurrence of Chikungunya, dengue fever, malaria, Japan fever and the like has to be addressed on a war footing. We have an entire chapter that examines the role of panchayats in providing primary health care.

2.3.10 Decentralised governance cannot be and should not be seen independent of the fostering and sustained support by the state. Looking back we feel that the ethos and urgency that characterized the PPC in the 1990s must be recaptured.

2.4 Methodology

2.4.1 We have held a wide range of discussions with the various associations of the local bodies besides visiting a few local government institutions [See Appendix 1A]. Due to the constraints of resources we did not hold much sittings. However we commissioned three case studies. (These studies in CD are handed over to KILA) Interested persons and researchers may consult those brief reports. We have used them in the report with due acknowledgements to them.

2.4.2 The sample units selected for the three case studies in the south, central and northern regions represent the three natural regions of low land, middle land and high land. The sample units of PRIs and ULBs selected in each region are indicated in Table 2.1

Table 2.1
Region-wise distribution of local government chosen for case study

Region	GP/Block/Corporation/Municipality	Name of the Coordinators
Southern Region	Thiruvananthapuram Corporation, Athiyanoor Block Panchayat and Karimkulam Gram Panchayat.	Prof.K.Krishnakumar
Central Region	Kalamassery Municipality, Pampakkuda Block Panchayat and Kothamangalam Gram Panchayat	Prof.G.Gopikuttan
Northern Region	Kuthupparamba Municipality, Iritty Block Panchayat and Ayyamkunnu Gram Panchayat	Prof.T.P.Sreedharan

The methodologies employed by the Coordinators of these regions are more or less the same with slight variations to suit the data gaps existing in these regions. The main focus area of these studies was plan formulation, plan

implementation and plan monitoring. Broadly the following are the methods chosen for the study by the Coordinators.

- (i) The bulk of the information was collected from published and unpublished reports and office records of the local governments. Detailed information to understand the process and methods of plan formulation and implementation was sought to be captured from these sources.
- (ii) After analyzing the secondary sources, the stakeholders have been identified and focus group discussions were held mainly with the staff of LSGs, governing body members of earlier terms, transferred officials etc to understand the procedure followed in each tier of PRIs for plan formulation and implementation. Interviews were held by the coordinators with officials/stakeholders individually and group wise with the help of a structured questionnaire.
- (iii) To understand and identifying successes and failures of implementation of various programmes in different sectors, coordinators have undertaken field verification of selected projects/programmes from each sector and held detailed discussions with beneficiaries, local leaders, social workers etc. Household visits were also undertaken to confirm the field realities of programme implementation by LSGIs.

Reference:

Government of India (GOI) (1964), *Community Development, Cooperation and Panchayati Raj*, Manager Publications, New Delhi.

Government of Kerala (1996), *Report of the First Finance Commission*, Thiruvananthapuram.

Oommen M.A (ed) (2008), *Fiscal Decentralisation to Local Government in India*, Cambridge Scholars Publishing.

Chapter 3

Fiscal Decentralisation and Fiscal Management

3.0 It is not enough to give expenditure responsibilities to the local governments. It should be matched by adequate finance. The viability, strength and autonomy of local governments depend on the quantum of own resources they can generate and the size of untied funds they obtain. Kerala has stolen a march over other states in regard to the devolution of funds to local bodies. In this chapter we try to analyse briefly the structure, pattern and magnitude of the transfer system in the state since mid-1996 following the fiscal decentralization initiatives of People's Plan Campaign. Some sidelights on local finance and fiscal management are also given using aggregate GP finance data and plan expenditure data. We have also used ULB data for own source revenue from 2002-03 through 2007-08. This is followed by a few case studies to illustrate the management of financial resources at the local government level. The finances of three gram panchayats, two municipalities and one corporation are examined to high light the ground realities.

3.01 We do not have reliable aggregate data regarding the income and expenditure of all categories of LGs, as you find in the case of states and the union governments. In the absence of this, systematic analysis would be a difficult and often an incomplete exercise.

3.1 The Structure and Pattern of Fiscal Decentralisation

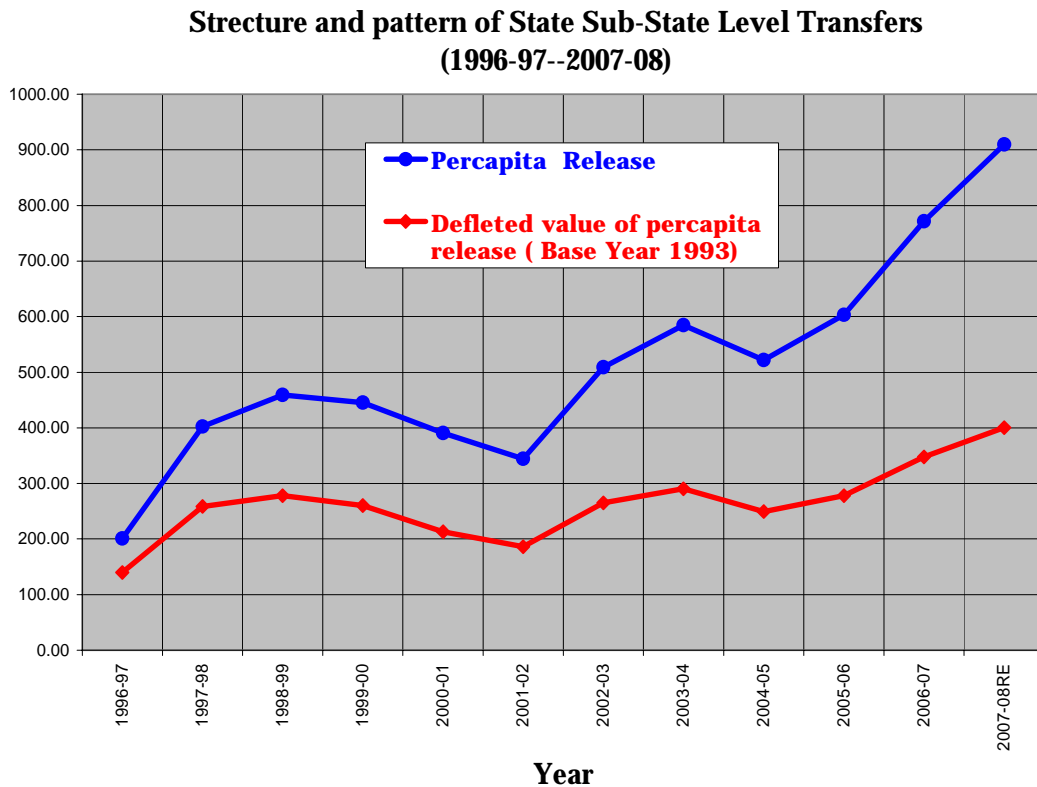
3.1.1 We may first start with the structure and pattern of fiscal decentralization. Table 3.1 gives the trend in the magnitude of release to sub-state level governments from 1996-97 through 2007-08. The release to local governments which was only Rs.616 crore in 1996-97 doubled in the next year which was obviously due to the momentous decision to devolve 35-40 per cent of plan grant to them. More than 66 per cent of the total release was because of plan grants.

Although Table 3.1 shows year to year fluctuations largely due to the pruning of Annual Plans the magnitude of devolution has been significant. The total release which comprises maintenance grants was 14 per cent of State's own revenue in 1996-97. It nearly doubled to reach 27.48 per cent in 1998-99. Since then, it fluctuated between 17.02 per cent in 2001-02 to 24.46 per cent in 1999-2000. As a percentage of GSDP, the release was above 2 per cent during the earlier period. This declined slightly during most of the subsequent years. Except for a significant fall in 2000-01 and 2001-02, the per capita transfers released have been steadily growing as is well exemplified in the graph given as Fig.3.1. The per capita release in 1996-97 which was only Rs.201 rose to nearly Rs.910 in 2007-08. During this period it grew at the rate of 9.81 per cent per annum and in real terms (deflated by SDP deflator) it grew at the rate of 5.5 per cent. This progressive growth is due to the plan grants devolved. Indeed plan grants have significantly altered the financial base of local governments in Kerala.

Table 3.1
Structure and Pattern of State Sub-State Level Transfers
(1996-97 – 2007-08) *Rs in Crores*

Year	States Own Revenue	Share of central Taxes and Grants	Total revenue	Release to LSGIs	Growth Rate	% to States own Revenue	Release % to GSDP	% to Total Revenue	Per capita Release	Deflated value of per capita release
1996-97	4412.3	1732.78	6145.08	616.15	-	13.96	1.28	10.03	201.05	139.69
1997-98	5053.16	2065.06	7118.22	1243.97	101.89	24.62	2.31	17.48	402.50	258.53
1998-99	5207.22	1990.90	7198.12	1431.04	15.04	27.48	2.34	19.88	459.14	277.96
1999-00	5724.22	2217.53	7941.75	1400.32	-2.15	24.46	2.04	17.63	445.51	260.27
2000-01	6529.35	2201.51	8730.86	1238.62	-11.55	18.97	1.72	14.19	390.74	213.11
2001-02	6466.80	2589.59	9056.39	1100.41	-11.16	17.02	1.42	12.15	344.22	185.88
2002-03	7983.80	2653.58	10637.38	1647.33	49.70	20.63	1.91	15.49	509.11	264.89
2003-04	8895.76	2919.61	11815.37	1912.25	16.08	21.50	1.99	16.18	584.59	290.25
2004-05	9782.73	3717.75	13500.48	1703.18	-10.93	17.41	1.59	12.62	522.00	249.10
2005-06	10716.41	4578.11	15294.52	1991.56	16.93	18.58	1.67	13.02	603.17	278.06
2006-07	12879.39	5307.23	18186.62	2571.75	29.13	19.97	1.94	14.14	771.81	347.55
2007-08	15081.26	6415.72	21496.98	3071.47	19.43	20.37	2.08	14.29	909.71	400.27
Growth Rate									9.81	5.50

Data collected from Budget documents

Fig.3.1

3.1.2 Budget allocation has no meaning unless the amount is spent and spent productively. It is here that financial administration quite often fails. Table 3.2 gives the outlay, release and expenditure of plan grants during the 10th Five year plan and Table 3.2(a) the LG-wise and sector-wise distribution of plan expenditure for the two years 2006-07 and 2007-08. In 2002-03, actual expenditure as a percentage of release was only around 60 per cent and as a percentage of outlay still lower at around 45 per cent (Table 3.2). The excess expenditure in the next year (105%) and the relatively higher level of expenditure in the subsequent years is due to the permission to spend spillovers upto 20 per cent.

Table 3.2
Outlay, Release and Expenditure of Plan Grants to LSGs
(2002-03 – 2007-08)

(Rs. in Crores)

Year	Outlay	Release	Expenditure	Release % to Outlay	Expenditure as % to Release
2002-03	1342.00	1004.59	602.26	74.86	59.95
2003-04	1317.00	1284.21	1350.34	97.51	105.15
2004-05	1350.00	995.46	923.09	73.74	92.73
2005-06	1375.00	1008.15	986.21	73.32	97.82
2006-07	1400.00	1400.36	1209.83	100.03	86.39
2007-08	1540.00	1540.00	1377.49	100.00	89.41

LSG – Local Self Government

Table 3.2(a)
Sector-wise Distribution of Plan Expenditure 2006-07 – 2007-08

Types of LGs	Productive Sector		Service Sector		Infrastructure Sector		Others		Total	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
District Panchayat	16.7	21.5	64.0	58.2	17.0	8.9	2.3	11.4	100.0	100.0
Block Panchayat	16.6	15.5	52.8	40.0	20.6	10.4	10.0	34.1	100.0	100.0
Gram Panchayat	20.6	22.1	53.1	47.8	16.8	10.1	9.5	20.0	100.0	100.0
Corporations	4.4	5.5	60.5	60.0	25.4	14.5	9.7	20.0	100.0	100.0
Municipalities	9.4	8.0	50.1	52.4	32.8	23.9	7.7	15.7	100.0	100.0
Total	17.6	18.7	54.8	49.4	19.2	11.5	8.4	20.4	100.0	100.0

Source: Based on IKM data

3.1.2.1 The Plan grants actually received by LGs during the 9th plan period as a percent of the total State Plan was only 29 per cent. It declined to 27 per cent during the 10th plan. This percentage is likely to decline further during the XIth plan because the state government now follows the recommendations of the third State Finance Commission (SFC). The third SFC not only substituted the nomenclature of plan grants by 'development funds' and laid down a new scheme of devolution which increases at the rate of 10 per cent per annum from the base year 2006-07. The linkage with state plan outlay was snapped.

3.1.2.2 Quite understandably, the state government (the State Planning Board to be precise) from the days of PPC laid down certain sectoral specifications and

ceiling. For the PRIs which has the task of augmenting agricultural production and productivity it was specified that a minimum 40 per cent expenditure should go to the productive sector. **The Plan expenditure pattern given in Table 3.2(a) shows that out of the total expenditure only 17.6 per cent in 2006-07 and 18.7 per cent in 2007-08 was spent on the productive sector by the LGs. Even for GPs the expenditure was only 20.6 per cent in 2006-07 and 22.1 in 2007-08. Table 3.2(a) clearly shows that the local governments contrary to all guidelines and the needs of the economy, not only crossed the 30 per cent ceiling on service sector, but crossed by very high margins. For the district panchayat service sector spending goes as high as 64 per cent in 2006-07 and 58.2 per cent in 2007-08. For the municipal corporation in all the two years service sector spending was above 60 per cent. Unless and until the plan priorities and allocation pattern of LGs are actually reversed in favour of greater production, development in the state will stand to suffer and lose.**

3.2 Fiscal Structure and Management

This section is organized under two broad heads: (a) The income of GPs and ULBs: the macro picture and (b) Fiscal Management: Findings from the micro studies.

3.2.1 (a) Macro Dimensions of the Receipts of GPs and ULBs

3.2.1.1 Only gram panchayats, municipalities and corporations have taxing powers. Table 3.3 is important because it shows the aggregate income of all the 999 GPs which increased from Rs.1411.4 core in 2005-06 to Rs.1649.0 crore in 2007-08, an increase of around 17 per cent growth in total receipts in three years. In per GP terms, the increase is from Rs.1.41 crore in 2005-06 to Rs.1.65 crore in 2007-08 with a corresponding OSR increase from Rs.22.6 lakhs to Rs.30.25 lakhs. The per capita total revenue moved up steadily from Rs.566 to Rs.649 during the period from 2005-06 through 2007-08. One important aspect is the importance of grants in the total receipts of GPs which is well above 80 per cent in all the three

years and goes as high as 84 per cent in 2005-06. Following the implementation of the recommendations of the Second State Finance Commission, the general purpose and maintenance grants from 9.12. 2004 onwards have assumed growing significance in the scheme of devolution. Out of a total grant of Rs.774.7 crore in 2005-06 maintenance grants and general purpose grants accounted for nearly 35 per cent. In fact they provided over 29 per cent of the total revenue receipts in 2005-06 and the same proportion continued in the two subsequent years. Table 3.3 shows that the own source revenue registered an increase from Rs.226.13 crore in 2005-06 to Rs.302.3 crore in 2007-08, a step up by 33.6 per cent or a simple average of 11 per cent per annum. The OSR of GPs is below that of ULBs for that year which works out to Rs.326.61 crore. The percentage of own tax revenue to total revenue remained in the range of 10-11 per cent during the three years we have studied. This does not tell us the real picture because it does not relate to the total expenditure which contains the non-plan dimensions. Actually OSR goes to finance the non-plan expenditure and only the balance from current revenue (BCR) will be available for financing the plan expenditure. Hence Table 3.3 does not reflect the real pattern of financing of expenditure but only the macro dimension of the total revenues.

Table 3.3
Revenue Structure of GPs 2005-06 2007-08
(Rs. in lakhs except per capita)

Year	Own Revenue			State Government Grant				Total Revenue	Per capita Total Revenue (in Rs)
	Own Tax	Total Non Tax	Total OSR	General purpose Grant	Maintenance Grant	Plan Grant	State Govt. Grants Total		
2005-06	14108.14	8505.42	22613.56	17448.59	23610.00	77470.18	118528.77	141142.33	565.69
%	10.00	6.03	16.02	12.36	16.73	54.89	83.98	100.00	
2006-07	16265.08	12677.20	28942.28	21948.81	21913.82	78553.43	122416.06	151358.34	601.69
%	10.75	8.38	19.12	14.50	14.48	51.90	80.88	100.00	
2007-08	17767.14	12456.26	30223.39	24143.60	24104.25	86432.28	134680.13	164903.52	648.77
%	10.77	7.55	18.33	14.64	14.62	52.41	81.67	100.00	

[Source: Data from Directorate of Panchayats].

3.2.1.2 A more disaggregated presentation of OSR is attempted in the Tables 3.4(a), 3.4(b), and 3.4(c). Table 3.4(a) show the district-wise break-up of the total OSR. In the state as a whole the tax-non-tax ratio ranges from 56:44 in 2006-07 to 62:38 in 2005-06. In 2005-06 the highest tax proportion is seen in the Idukki district with a tax-non-tax ratio of 83:17. Palakkad is the only district where non-tax revenue is higher than tax revenue in two years. As is well exemplified in the bar diagram given in Fig.3.2, Ernakulam district contributes the highest aggregate OSR followed by Malappuram and Kottayam. Obviously the tribal district of Wyanad has the lowest OSR. Property tax is the single largest contributor to OSR and it ranges from 18 per cent in the Kollam district in 2006-07 to over 45 per cent in 2005-06 in the Alappuzha district. It is surprising that the percentage contribution of property tax from the richer Ernakulam district is lower than that of even Wyanad district. In all the years under study Ernakulam's contribution from property tax falls below the state average. Kollam and Palakkad are two other districts where property tax collection is below the state average.

3.2.1.3 Table 3.4(b) gives the district wise break-up of tax revenue by the major sources of revenue. **Property tax and profession tax account for nearly 95 per cent of the total tax revenue. In a number of districts property tax collection is below the state average with a high margin in the case of Ernakulam, Idukki, Palakkad, Malappuram, Pathanamthitta and Thiruvananthapuram districts. This is true in regard to the profession tax and most prominently in the districts of Thrissur, Kozhikode and Wyanad where collection is way below the state average in most of these years. Although an acknowledged consumerist state the collection from advertisement tax is negligible. Even the entertainment tax which once upon a time was an important source of revenue has paled into insignificance and continues to be important only in the**

districts of Wyanad, Malappuram and Palakkad. The tremendous scope for tax diversification has not been fully exploited in the state by the GPs.

3.2.1.4 Per capita tax incidence is an important indication of the money burden by a community and its relative growth a measure of efficiency in tax administration. Table 3.4 (c) shows the district-wise distribution of per capita tax, non-tax and OSR. **The Table clearly shows that in general the GPs in the Kannur district have the highest per capita tax and Ernakulam district the highest per capita non-tax revenue. The per capita tax revenue in 2007-08 ranges from Rs.38 in Palakkad district to Rs.103 in the Kannur district and non-tax revenue from Rs.21.74 in Alappuzha district to Rs.104 in Ernakulam district. In 2007-08, ten districts are below the per capita non-tax revenue.**

Table 3.4 (a)
District-wise distribution of Own Tax and Non tax of GPs 2005-06 -2007-08

District	Property Tax			Profession Tax			Others			Total Own Tax			Total non Tax			Grand Total (Tax)		
	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08
TVPM	433.73	669.23	500.04	390.75	460.63	499.65	20.45	26.70	28.76	844.93	1156.57	1028.45	510.65	557.19	741.88	1355.58	1713.75	1770.33
%	32.00	39.05	28.25	28.83	26.88	28.22	1.51	1.56	1.62	62.33	67.49	58.09	37.67	32.51	41.91	100.00	100.00	100.00
KLM	490.50	559.93	699.55	550.83	620.00	581.02	40.23	38.75	44.62	1081.56	1218.68	1325.19	567.26	1834.37	650.72	1648.82	3053.05	1975.90
%	29.75	18.34	35.40	33.41	20.31	29.41	2.44	1.27	2.26	65.60	39.92	67.07	34.40	60.08	32.93	100.00	100.00	100.00
PTNA	279.85	383.35	377.66	231.93	255.88	272.56	26.91	42.13	37.90	538.70	681.36	688.12	338.04	381.37	511.43	876.74	1062.73	1199.55
%	31.92	36.07	31.48	26.45	24.08	22.72	3.07	3.96	3.16	61.44	64.11	57.37	38.56	35.89	42.63	100.00	100.00	100.00
ALPY	466.71	519.20	536.45	308.63	415.85	381.47	25.60	25.58	25.43	800.93	960.63	943.35	235.61	265.67	334.36	1036.55	1226.30	1277.71
%	45.02	42.34	41.99	29.77	33.91	29.86	2.47	2.09	1.99	77.27	78.34	73.83	22.73	21.66	26.17	100.00	100.00	100.00
KTM	657.80	738.37	747.15	464.23	555.95	585.37	71.72	91.31	87.78	1193.75	1385.63	1420.31	589.85	1892.35	765.78	1783.60	3277.98	2186.09
%	36.88	22.53	34.18	26.03	16.96	26.78	4.02	2.79	4.02	66.93	42.27	64.97	33.07	57.73	35.03	100.00	100.00	100.00
IDKY	307.81	336.89	344.22	307.59	254.33	312.25	23.69	22.40	21.71	639.09	613.63	678.18	135.22	272.78	371.85	774.31	886.41	1050.03
%	39.75	38.01	32.78	39.72	28.69	29.74	3.06	2.53	2.07	82.54	69.23	64.59	17.46	30.77	35.41	100.00	100.00	100.00
EKM	817.70	1009.93	1108.13	735.05	856.66	1036.64	24.71	262.60	161.63	1577.46	2129.19	2306.40	1201.50	1815.28	2441.29	2778.96	3944.47	4747.69
%	29.42	25.60	23.34	26.45	21.72	21.83	0.89	6.66	3.40	56.76	53.98	48.58	43.24	46.02	51.42	100.00	100.00	100.00
TCR	1035.83	833.77	1094.48	538.45	437.10	535.33	66.04	57.38	85.90	1640.31	1328.24	1715.71	699.52	743.00	884.99	2339.83	2071.24	2600.70
%	44.27	40.25	42.08	23.01	21.10	20.58	2.82	2.77	3.30	70.10	64.13	65.97	29.90	35.87	34.03	100.00	100.00	100.00
MPM	849.38	1037.11	1066.94	512.11	574.57	748.45	123.18	143.01	129.24	1484.67	1754.70	1944.63	1094.87	1394.49	1892.34	2579.54	3149.18	3836.97
%	32.93	32.93	27.81	19.85	18.25	19.51	4.78	4.54	3.37	57.56	55.72	50.68	42.44	44.28	49.32	100.00	100.00	100.00
PGT	554.67	737.31	747.49	434.94	485.71	559.35	79.46	59.46	57.43	1069.08	1282.48	1364.27	1141.77	1362.43	1300.90	2210.84	2644.90	2665.16
%	25.09	27.88	28.05	19.67	18.36	20.99	3.59	2.25	2.15	48.36	48.49	51.19	51.64	51.51	48.81	100.00	100.00	100.00
KZD	781.77	883.22	1298.17	401.20	447.46	470.87	55.11	57.84	62.88	1238.07	1388.53	1831.92	979.25	980.60	1126.49	2217.32	2369.13	2958.41
%	35.26	37.28	43.88	18.09	18.89	15.92	2.49	2.44	2.13	55.84	58.61	61.92	44.16	41.39	38.08	100.00	100.00	100.00
WYD	222.34	294.98	385.55	146.06	169.24	183.84	50.06	44.15	41.58	418.46	508.37	610.97	213.66	235.22	351.36	632.12	743.59	962.32
%	35.17	39.67	40.06	23.11	22.76	19.10	7.92	5.94	4.32	66.20	68.37	63.49	33.80	31.63	36.51	100.00	100.00	100.00
KNR	553.95	643.90	690.68	423.46	475.33	520.84	47.79	54.99	68.56	1025.20	1174.23	1280.08	524.12	555.98	710.17	1549.32	1730.21	1990.25
%	35.75	37.22	34.70	27.33	27.47	26.17	3.08	3.18	3.44	66.17	67.87	64.32	33.83	32.13	35.68	100.00	100.00	100.00
KSRD	305.52	363.38	389.45	240.44	214.86	231.40	9.96	104.62	8.72	555.92	682.86	629.57	274.10	386.46	372.70	830.02	1069.32	1002.27
%	36.81	33.98	38.86	28.97	20.09	23.09	1.20	9.78	0.87	66.98	63.86	62.81	33.02	36.14	37.19	100.00	100.00	100.00
State	7757.56	9010.59	9985.95	5685.67	6223.57	6919.05	664.91	1030.92	862.14	14108.14	16265.08	17767.14	8505.42	12677.20	12456.26	22613.56	28942.28	30223.39
%	34.30	31.13	33.04	25.14	21.50	22.89	2.94	3.56	2.85	62.39	56.20	58.79	37.61	43.80	41.21	100.00	100.00	100.00

TVPM – Thiruvananthapuram, KLM- Kollam, PTNA- Pattanamthitta, ALPY- Alappuzha, KTM-Kottayam, IDKY-Idukki, EKM- Ernakulam, TCR-Thrissur, MPM- Malappuram, PGT-Palakkad, KZD – Kozhikode, WYD- Wyanad, KNR-Kannur, KSRD- Kasargode

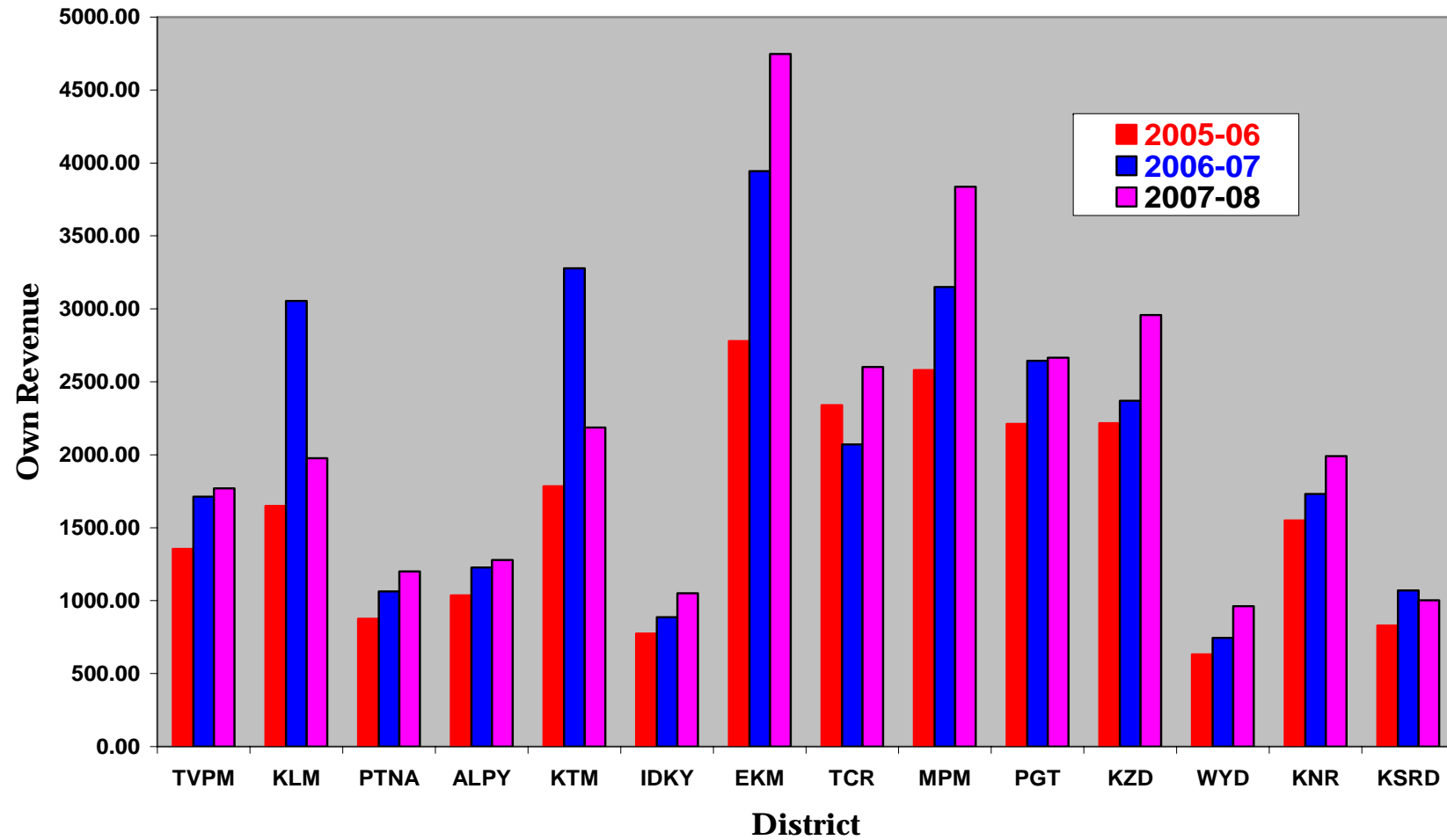
Fig: 3.2**Own Revenue of LSGIs District wise 2005-06 to 2007-08**

Table 3.4 (b)
District-wise distribution of Own Tax Revenue of GPs 2005-06 -2007-08

(Rs.in lakhs)

District	Property Tax			Profession Tax			Advertisement Tax			Entertainment Tax			Service Tax			Total Own Tax		
	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08
TVPM	433.73	669.23	500.04	390.75	460.63	499.65	0.32	0.98	1.27	8.31	9.66	13.30	11.82	16.06	14.19	844.93	1156.57	1028.45
%	51.33	57.86	48.62	46.25	39.83	48.58	0.04	0.08	0.12	0.98	0.83	1.29	1.40	1.39	1.38	100.00	100.00	100.00
KLM	490.50	559.93	699.55	550.83	620.00	581.02	1.13	2.06	2.16	18.09	13.08	14.19	21.02	23.61	28.27	1081.56	1218.68	1325.19
%	45.35	45.95	52.79	50.93	50.87	43.84	0.10	0.17	0.16	1.67	1.07	1.07	1.94	1.94	2.13	100.00	100.00	100.00
PTNA	279.85	383.35	377.66	231.93	255.88	272.56	0.26	0.25	0.22	2.66	2.55	1.99	24.00	39.33	35.69	538.70	681.36	688.12
%	51.95	56.26	54.88	43.05	37.55	39.61	0.05	0.04	0.03	0.49	0.37	0.29	4.45	5.77	5.19	100.00	100.00	100.00
ALPY	466.71	519.20	536.45	308.63	415.85	381.47	2.63	0.16	0.30	7.33	6.73	5.93	15.64	18.68	19.20	800.93	960.63	943.35
%	58.27	54.05	56.87	38.53	43.29	40.44	0.33	0.02	0.03	0.91	0.70	0.63	1.95	1.94	2.04	100.00	100.00	100.00
KTM	657.80	738.37	747.15	464.23	555.95	585.37	0.45	1.65	5.71	20.54	25.96	21.09	50.73	63.70	60.98	1193.75	1385.63	1420.31
%	55.10	53.29	52.61	38.89	40.12	41.21	0.04	0.12	0.40	1.72	1.87	1.48	4.25	4.60	4.29	100.00	100.00	100.00
IDKY	307.81	336.89	344.22	307.59	254.33	312.25	0.39	0.29	0.71	4.10	3.80	3.07	19.20	18.32	17.93	639.09	613.63	678.18
%	48.16	54.90	50.76	48.13	41.45	46.04	0.06	0.05	0.10	0.64	0.62	0.45	3.00	2.99	2.64	100.00	100.00	100.00
EKM	817.70	1009.93	1108.13	735.05	856.66	1036.64	7.96	7.87	22.35	9.99	247.13	127.96	6.76	7.60	11.32	1577.46	2129.19	2306.40
%	51.84	47.43	48.05	46.60	40.23	44.95	0.50	0.37	0.97	0.63	11.61	5.55	0.43	0.36	0.49	100.00	100.00	100.00
TCR	1035.83	833.77	1094.48	538.45	437.10	535.33	1.43	0.92	13.67	44.83	33.92	42.71	19.78	22.53	29.52	1640.31	1328.24	1715.71
%	63.15	62.77	63.79	32.83	32.91	31.20	0.09	0.07	0.80	2.73	2.55	2.49	1.21	1.70	1.72	100.00	100.00	100.00
MPM	849.38	1037.11	1066.94	512.11	574.57	748.45	1.66	12.86	14.20	109.97	111.72	99.74	11.55	18.43	15.29	1484.67	1754.70	1944.63
%	57.21	59.11	54.87	34.49	32.74	38.49	0.11	0.73	0.73	7.41	6.37	5.13	0.78	1.05	0.79	100.00	100.00	100.00
PGT	554.67	737.31	747.49	434.94	485.71	559.35	1.24	1.12	1.41	62.88	38.02	34.68	15.34	20.32	21.34	1069.08	1282.48	1364.27
%	51.88	57.49	54.79	40.68	37.87	41.00	0.12	0.09	0.10	5.88	2.96	2.54	1.44	1.58	1.56	100.00	100.00	100.00
KZD	781.77	883.22	1298.17	401.20	447.46	470.87	0.70	0.59	1.05	39.72	39.90	42.22	14.70	17.36	19.60	1238.07	1388.53	1831.92
%	63.14	63.61	70.86	32.40	32.23	25.70	0.06	0.04	0.06	3.21	2.87	2.30	1.19	1.25	1.07	100.00	100.00	100.00
WYD	222.34	294.98	385.55	146.06	169.24	183.84	0.17	0.28	0.08	35.30	35.54	32.63	14.59	8.32	8.87	418.46	508.37	610.97
%	53.13	58.03	63.10	34.90	33.29	30.09	0.04	0.06	0.01	8.43	6.99	5.34	3.49	1.64	1.45	100.00	100.00	100.00
KNR	553.95	643.90	690.68	423.46	475.33	520.84	1.03	1.10	0.87	25.41	27.08	31.50	21.34	26.81	36.19	1025.20	1174.23	1280.08
%	54.03	54.84	53.96	41.31	40.48	40.69	0.10	0.09	0.07	2.48	2.31	2.46	2.08	2.28	2.83	100.00	100.00	100.00
KSRD	305.52	363.38	389.45	240.44	214.86	231.40	0.07	0.22	0.12	7.94	7.00	6.25	1.95	97.40	2.35	555.92	682.86	629.57
%	54.96	53.21	61.86	43.25	31.46	36.76	0.01	0.03	0.02	1.43	1.03	0.99	0.35	14.26	0.37	100.00	100.00	100.00
State	7757.56	9010.59	9985.95	5685.67	6223.57	6919.05	19.43	30.36	64.13	397.06	602.09	477.27	248.42	398.47	320.74	14108.14	16265.08	17767.14
%	54.99	55.40	56.20	40.30	38.26	38.94	0.14	0.19	0.36	2.81	3.70	2.69	1.76	2.45	1.81	100.00	100.00	100.00

Table 3.4 (c)
District – wise Distribution of Per capita Tax, Non-Tax and OSR (Rs)
(2005-06 – 2007-08)

Sl No	District	Per capita Tax			Per capita Non Tax			Per capita OSR		
		2005-06	2006-07	2007-08	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08
1	TVPM	37.99	51.52	45.39	22.96	24.82	32.74	60.95	76.34	78.13
2	KLM	52.25	58.45	63.11	27.4	87.98	30.99	79.65	146.43	94.10
3	PTNA	47.8	60.23	60.60	29.99	33.71	45.04	77.79	93.94	105.63
4	ALPY	52.72	62.9	61.45	15.51	17.4	21.74	68.23	80.3	83.22
5	KTM	70.29	81.05	82.53	34.73	110.69	44.50	105.02	191.74	127.03
6	IDKY	58.54	55.95	61.55	12.36	24.87	33.75	70.93	80.82	95.30
7	EKM	68.75	91.9	98.58	52.37	78.35	104.34	121.12	170.24	202.92
8	TCR	74.33	59.69	76.47	31.7	33.39	39.44	106.03	93.08	115.91
9	MPM	63.24	74.04	81.29	46.64	58.84	79.10	109.88	132.88	160.39
10	PGT	30.7	36.25	37.96	32.79	38.51	36.20	63.49	74.77	74.16
11	KZD	67.06	74.5	97.37	53.04	52.61	59.87	120.1	127.11	157.24
12	WYD	52.48	62.81	74.37	26.8	29.06	42.77	79.28	91.88	117.14
13	KNR	73.43	94.92	102.78	42.65	44.94	57.02	126.09	139.86	159.80
14	KSRD	54.68	66.38	60.49	26.96	37.57	35.81	81.64	103.95	96.31
	State	53.58	64.64	69.97	34.11	50.38	49.05	90.69	115.02	119.02

Table 3.4(d)
Own Revenue of Urban Local Bodies

(Rs. in Lakhs)

Item	2002-03	% to Total	2003-04	% to Total	2004-05	% to Total	2005-06	% to Total	2006-07	% to Total	2007-08	% to Total
Property Tax	7602	32.95	7623	33.35	7744	34.21	8955	36.02	10570	35.75	11784	36.08
Profession Tax	4300	18.64	4623	20.22	4411	19.49	4009	16.12	5857	19.81	6543	20.03
Entertainment Tax	3500	15.17	3976	17.39	3511	15.51	3191	12.83	3620	12.24	3789	11.60
Fees / User Charges	3100	13.44	2799	12.25	2531	11.18	3680	14.80	3438	11.63	4003	12.26
Others	4568	19.80	3837	16.79	4440	19.61	5028	20.22	6083	20.57	6542	20.03
Total	23070	100.00	22858	100.00	22637	100.00	24863	100.00	29568	100.00	32661	100.00
Per capita Own Revenue	440.60	-	432.48	-	424.30	-	461.68	-	543.92	-	595.21	-

3.2.1.5 The state average of per capita OSR of GPs in 2007-08 is Rs.119. It ranges from Rs.74 in the Palakkad district to Rs.203 in the Ernakulam district. **Nine districts have a per capita OSR which is below the state average. One can safely maintain that there is great scope for augmenting the revenue resources of GPs.**

3.2.1.6 Table 3.4(d) gives the structure of own source revenue of urban local bodies. OSR increased from Rs.230.7 crore in 2002-03 to Rs.326.61 crore, a simple average increase of 7 per cent per annum. There is a predominance of taxes. Property tax, profession tax and entertainment together constitute over two thirds of the OSR. Non-tax revenue collection is very poor. The per capita OSR rises from Rs.441 in 2002-03 to Rs. 595 in 2007-08. This is very much higher than the per capita OSR of the GPs and is roughly of the order of five times. Even with this one can safely maintain that the potential for revenue mobilization is very high given the exponential increase in construction activities and per capita consumption. The poor arrear rate which ranges from 5 to 10 per cent for ULBs does not mean high tax performance because it could as well be due to poor revenue demand.

3.2.2 (b) Micro Case Studies

3.2.2.1 This section outlines the finances of three gram panchayats (Ayyankunnu, Koothattukulam and Karimkulam) followed by an analysis of the two municipalities (Kalamassery and Koothuparamba) and the Thiruvananthapuram Corporation. Although we tried to collect data for the entire period of the 9th and 10th Five Year Plans, there are serious gaps. Even so it is possible to obtain a snapshot picture of the finances of these local governments.

3.2.2.2 Table 3.5(a) presents a percentage-wise break-up of the structure and composition of the revenue of the three GPs. The Table shows the wide dispersion in the revenue base of the three panchayats spread over three districts and regions. The own revenue of the coastal panchayat of Karimkulam ranges

from 2.7 per cent of the total receipts in 2005-06 to 12.5 per cent in 2001-02. In the 1990s its OSR was in the 3.6 to 4.4 range which is very low indeed. Ayyankunnu shows a slightly improved picture and its OSR is broadly in the 8 to 12 range except for 2001-02 when it shoots up to 22.9 per cent. A panchayat that depends on grants to meet more than 95 per cent of its needs has no financial autonomy. Its revenue base is very weak. The Koothattukulam Panchayat, presents a totally different picture. The own revenue contribution to total receipts ranges from 39.8 per cent of the total income in 2005-06 to 62 per cent in 2000-01. Not only that, in the Koothattukulam panchayat in a number of years the proportion of non-tax revenue was higher than that of tax revenue. Despite the urban bias of the panchayat however property tax collection did not show a steady rise. The revenue from property tax falls compared to the previous years in 7 out of the 12 years studied as against a steady increase in profession tax collection which in some years yielding a higher revenue compared with property tax [See Gopikuttan's Study]. The yield from entertainment tax showed a very high declining trend with a collection of Rs.36,000 in 2005-06 and 2006-07 as against Rs.1.88 lakhs in 1996-97. The central grant in the total revenue in Koothattukulam which was only 3 per cent in 1997-98, which fell to a negligible 1.2 per cent in 2006-07. Except in the coastal panchayat of Karimkulam in 2001-02, central grants are not an important source of revenue in all the three cases studied.

Table 3.5(a)
A percentage Break-up of the Total Revenue of the Sample Gram
Panchayats (1997-98 - 2006-07)

Year	Panchayats	Own Tax	Non Tax	Total Own Revenue	Central Govt.	State Govt.	Grants Total	Total Revenue
1997-98	Karimkulam	3.4	0.3	3.6	6.2	90.2	96.4	100.0
	Ayyankunnu	Not available						
	Koothattukulam	25.1	23.5	48.5	3.0	48.4	51.5	100.0
1998-99	Karimkulam	3.2	0.4	3.6	4.0	92.4	96.4	100.0
	Ayyankunnu	7.8	0.2	8.0	1.3	40.7	42.0	100.0
	Koothattukulam	22.6	17.5	40.1	2.7	57.1	59.9	100.0
1999-00	Karimkulam	3.9	0.3	4.2	0.9	94.9	95.8	100.0
	Ayyankunnu	Not available						
	Koothattukulam	22.0	29.7	51.7	0.3	48.0	48.3	100.0
2000-01	Karimkulam	4.1	0.3	4.4	4.7	90.9	95.6	100.0
	Ayyankunnu	Not available						
	Koothattukulam	22.4	39.6	62.0	1.4	36.6	38.0	100.0
2001-02	Karimkulam	3.6	0.4	4.0	2.8	93.2	96.0	100.0
	Ayyankunnu	22.5	0.4	22.9	5.5	71.5	77.1	100.0
	Koothattukulam	26.8	25.9	52.7	2.9	44.4	47.3	100.0
2002-03	Karimkulam	11.15	1.4	12.5	30.6	56.9	87.5	100.0
	Ayyankunnu	11.35	0.30	11.65	2.33	86.02	88.35	100.00
	Koothattukulam	21.31	32.3	53.6	2.1	44.2	46.4	100.0
2003-04	Karimkulam	4.49	0.69	5.19	4.12	90.70	94.81	100.00
	Ayyankunnu	10.49	0.27	10.76	3.29	85.95	89.24	100.00
	Koothattukulam	19.27	24.3	43.6	1.9	54.5	56.4	100.0
2004-05	Karimkulam	3.24	0.4	3.7	2.6	93.7	96.3	100.0
	Ayyankunnu	9.25	0.16	9.41	5.12	85.47	90.59	100.00
	Koothattukulam	20.85	22.7	43.6	2.6	53.9	56.4	100.0
2005-06	Karimkulam	2.40	0.3	2.7	3.7	93.6	97.3	100.0
	Ayyankunnu	7.62	0.16	7.78	5.04	87.18	92.22	100.00
	Koothattukulam	15.1	24.7	39.8	2.8	57.4	60.2	100.0
2006-07	Karimkulam	Not available						
	Ayyankunnu	9.38	0.13	9.51	5.10	85.39	90.49	100.00
	Koothattukulam	18.50	26.60	45.10	1.20	53.70	54.90	100.00

3.2.2.3 In Table 3.5(b) the break-up of the total revenue of the two municipalities studied is given. It is seen that in both the municipalities the proportion of the OSR to total receipts is high compared to the GPs under study. **This is the general pattern in Kerala as well as in the country as a whole. It may be noted that during the 10 years covered in Table 3.5(b), for three years in Kalamassery and four years in Koothuparamba, OSR was above 50 per cent and in some years going above 60 per cent. This is an important indicator of the fiscal strength of urban local bodies and their fiscal autonomy. The most striking**

feature is the very low proportion of non-tax revenue. It goes as low as 5.33 per cent (1997-98) in Kalamassery and 5.73 per cent (2005-06) in Koothuparamba. In Kalamassery the contribution of non-tax revenue ranges from 5.33 per cent in 1997-98 to 27.86 in 2003-04 and in Koothuparamba from 5.73 per cent in 2005-06 to 12.71 per cent in 2002-03. The fluctuations in mobilization of non-tax could be due to indifferent revenue effort. As regards own tax revenue, the percentage ranges from 16.75 per cent in 2002-03 to 40.12 per cent in 2001-02 in Kalamassery and from 31.91 per cent to 50.51 in Koothuparamba. Presumably Koothuparamba has made a high tax effort. The percentage of central government grant in the total revenue structure of these municipalities is higher than that of gram panchayats. Although in the last two years under study it goes down to negligible proportion in the Kalamassery Municipality, it was as high as 30.63 per cent in 2004-05. Koothuparamba had a good record of mobilisation of their revenue resources.

Table 3.5(b)
A Percentage wise break-up of the Total revenue of the sample
Municipalities (1997-98 - 2006-07)

Year	Municipalities	Own Tax	Non Tax	Total Own Revenue	Central Govt	State Govt	Grants Total	Total Revenue
1997-98	Kalamassery	39.22	5.33	44.55	4.74	50.71	55.45	100.00
	Koothuparamba	43.06	10.71	53.77	2.98	43.24	46.23	100.00
1998-99	Kalamassery	29.89	7.60	37.49	7.40	55.11	62.51	100.00
	Koothuparamba	32.68	12.33	45.01	3.06	51.93	54.99	100.00
1999-00	Kalamassery	30.81	13.76	44.57	4.37	51.06	55.43	100.00
	Koothuparamba	38.55	9.64	48.20	4.02	47.78	51.80	100.00
2000-01	Kalamassery	39.35	23.47	62.82	1.67	35.50	37.18	100.00
	Koothuparamba	37.15	9.54	46.69	5.67	47.64	53.31	100.00
2001-02	Kalamassery	40.12	20.05	60.17	2.74	37.09	39.83	100.00
	Koothuparamba	42.58	10.91	53.49	3.35	43.16	46.51	100.00
2002-03	Kalamassery	16.75	27.08	43.83	5.47	50.70	56.17	100.00
	Koothuparamba	36.32	12.71	49.03	7.35	43.61	50.97	100.00
2003-04	Kalamassery	27.91	27.86	55.77	14.25	29.99	44.23	100.00
	Koothuparamba	31.91	12.59	44.51	7.06	48.43	55.49	100.00
2004-05	Kalamassery	25.18	15.41	40.58	30.63	28.79	59.42	100.00
	Koothuparamba	50.51	6.55	57.06	11.47	31.44	42.93	100.00
2005-06	Kalamassery	26.19	6.47	32.66	1.64	65.70	67.34	100.00
	Koothuparamba	39.59	5.73	45.32	16.75	37.93	54.68	100.00
2006-07	Kalamassery	25.23	17.49	42.72	0.35	56.93	57.28	100.00
	Koothuparamba	44.11	6.40	50.51	10.54	38.94	49.49	100.00

3.2.2.4 Table 3.5(c) shows the structure and composition of revenue of the Thiruvananthapuram Corporation. Despite the admittedly high revenue potential of the Corporation, in 1997-98 the plan grants as a proportion of total revenue was much higher than that of OSR (39.7%). It is significant that in 2006-07 the situation looks slightly improved with OSR rising well over 42 per cent and the total plan grants falling correspondingly to a little over 33 per cent. However the total non-plan grants made a quantum jump to over 19 per cent which is in all probability due to the increase in maintenance grants and general purpose grants.

Table 3.5(C)
Percentage -wise break-up of the Total Income of Thiruvananthapuram Corporation

Year	Tax	Non Tax	Total OSR	Others	Transferred & Shared Taxes	Sub Total (2 to 5)	Non Plan Grants	Non Plan grant for Transferred Institutions	Plan Grants (SSP)	Plan grant for Transferred Institutions	Plan Grants (Decentralised planning)	Grants sub total	Total	Increase % over 1997-98
1	2	3		4	5	6	7	8	9	10	11	12	13	14
1997-98	115194773	29950225	145144998	2506022	36037435	183688455	4015904	18177459	0	6172250	153593000	181958613	365647068	
% to Total Income	31.50	8.19	39.70	0.69	9.86	50.24	1.10	4.97	0.00	1.69	42.01	49.76	100.00	
2006-07	317700873	83817120	401517993	12872849	0 \$	414390842	184731618	31435812	9399277	237126	313357000	539160833	953551675	160.78
% to Total Income	33.32	8.79	42.11	1.35	0.00	43.46	19.37	3.30	0.99	0.02	32.86	56.54	100.00	

\$ Included in Col No 6 Non plan grants

3.3 Tax Effort and Finance Management

3.3.1 The viability and fiscal autonomy of a local government depends basically on the own source revenue (OSR) it can mobilize. It is largely a function of tax base tax rate and tax effort. Table 3.6 gives the per capita own tax, per capita OSR and per capita total revenue of the LGs under study from 1997-98 through 2006-07. The performance of the Koothuparamba municipality seems to be far better in terms of steady and consistent increase in per capita own tax (PCOT) and OSR. During the last three years of the 10th plan PCOT of the municipality falls in the high range from Rs. 500 to 551. In 2002-03, the per capita tax of ULBs of Kerala was Rs. 441, [See Table 3.4(d)] and the corresponding number for Rs.390 for Koothuparamba. The municipality is clearly below the state average. The PCOT and per capita OSR of Kalamassery, in 2002-03 is way below the state average. For a municipality that falls in the Ernakulam, Aluva industrial belt, the tax as well as the non-tax revenue effort appears to be poor (in 2005-06, PCOT is as low as Rs.148) and only marginally increased in the next year. The potential for revenue mobilization by the local bodies is indeed high.

3.3.2 The story of the tax and revenue efforts of panchayats does not reveal an encouraging picture. The most striking aspect is the extremely poor record of the Karimkulam panchayat whose PCOT is below Rs.10 during the large part of the 9th plan (1997-98 – 2000-01) and not much above that during the 10th plan [See Table 3.6]. The state average per capita own tax of all panchayats in 2007-08 is Rs.70 and that of per capita OSR, Rs.119 [See Table 3.4(c)]. The Ayyankunnu panchayat also did not reach the state average for none of these years for per capita OSR. The Koothattukulam Gram Panchayat however presents a significantly different picture. In 2005-06, the per capita tax was Rs.101 and OSR Rs.135. It was way ahead of the state average in terms of per capita own tax and OSR and maintained a consistently increasing trend. [Compare with Table 3.4(c)]. This is largely because the panchayat is a semi-urban one with a good tax

and general administration. Even so the pertinent fact that remains is that it could perform better in the area of property tax collection and non tax revenue.

Table 3.6
Per capita Revenue of sample Local bodies - A Comparative picture (1997-98 - 2006-07)

Year	Per capita Own Tax					Per capita Own Revenue					Per capita Total Revenue				
	Kalamassery (M)	Kuthuparamba (M)	Karimkulam (GP)	Koothattukulam (GP)	Ayyankunnu (GP)	Kalamassery (M)	Kuthuparamba (M)	Karimkulam (GP)	Koothattukulam (GP)	Ayyankunnu (GP)	Kalamassery (M)	Kuthuparamba (M)	Karimkulam (GP)	Koothattukulam (GP)	Ayyankunnu (GP)
1997-98	177.99	257.23	7.08	76.40	NA	202.16	321.21	7.72	147.97	NA	543.82	597.33	213.37	304.97	NA
1998-99	142.62	244.31	6.19	75.82	34.46	178.91	336.53	6.92	134.39	35.42	477.21	747.68	193.47	334.96	255.76
1999-00	167.40	276.49	9.65	84.87	NA	242.16	345.66	10.48	199.37	NA	543.33	717.16	250.21	385.56	NA
2000-01	261.71	271.42	8.68	95.57	NA	417.82	341.12	9.36	264.68	NA	665.09	730.58	211.95	426.99	NA
2001-02	236.60	257.67	12.73	93.60	40.67	354.84	323.70	14.17	184.03	41.49	589.73	605.16	350.59	349.38	188.06
2002-03	177.97	288.87	15.56	94.99	41.41	465.69	389.96	17.45	239.04	42.69	1062.5	795.31	139.55	445.64	405.45
2003-04	298.76	295.63	14.84	98.45	40.57	597.03	412.27	17.12	222.72	41.74	1070.6	926.31	330.16	510.78	417.00
2004-05	213.44	521.08	12.4	110.29	45.81	344.06	588.70	14.10	230.37	46.74	847.77	1031.5	382.82	528.96	544.60
2005-06	148.40	500.13	11.14	100.84	45.18	185.06	572.45	12.74	265.55	46.22	566.62	1263.2	464.62	667.87	609.27
2006-07	163.39	551.17	NA	135.31	53.40	276.65	631.12	NA	329.80	55.05	647.55	1249.5	NA	731.26	613.22

Table 3.7
Correlations between per capita grants and
Per capita own income

Local Body	Correlation (sig)
Ayyankunnu	-.094 (.809)
Kalamassery	-.902* (.000)
Kunnamkulam	-.577 (.104)
Koothattukulam	-.872* (.001)
Koothuparambu	-.880* (.001)

* Significant negative correlation

Correlations between per capita grants and
Per capita own income

Local Body	Correlation (sig)
Panchayat	-.531* (.004)
Municipality	-.771* (.000)

* Significant negative correlation

3.3.3 Another aspect that Table 3.6 brings out is the yawning gap between per capita tax and OSR and per capita total revenue receipts that includes taxes shared and grants in the case of Karimkulam and Ayyankunnu. For example, in Karimkulam while per capita OSR ranges from Rs.6.9 to 17.45, the per capita total revenue ranges from Rs.140 to Rs.465. Almost similar is the case of Ayyankunnu. **A relevant question that needs to be raised is whether the sharp step up in plan grants since mid 1996 has adversely affected the tax effort?** Table 3.7 presents the correlation between per capita grants and per capita own revenue (OSR). The table shows significant negative correlation particularly in the case of Kalamassery, Koothuparamba and Koothattukulam. The negative correlation is more pronounced in the case of the municipalities than

in the case of the panchayats. Although it is very difficult to draw firm inferences valid for the state as a whole, the government cannot afford to ignore this finding.

3.3.4 Some Recommendations for Revenue Improvement

3.3.4.1 Property tax forms the major part of the own source income of the local bodies. The earlier Municipality and Panchayat Acts provided for revision of property tax once in five years. After the revision effected in the year 1988, physical verification of properties and revision of tax was not done in 1993. A modest revision based on certain ceiling for enhancement stipulated by Government was done in 1993. Thereafter property tax revision was not carried out. The only exercise was for fixing of tax for new buildings. In view of this both the Urban Local Bodies and the Panchayats in the State are losing revenue since they continue to levy property tax at the old rates. This is happening in a state where construction contributes nearly 12 per cent of GSDP. Kerala Municipality Act 1994 proposes revision of property tax every four years (not been revised since 1993). Moreover, the KM Act 1994 provides for change in the norms for the levy of Property Tax from 'Annual Rental Value' (ARV) method to **Plinth (Built up) Area Basis of buildings. The State Government has issued orders for effecting this revision and the guidelines issued propose the strategies to be adopted by the local bodies (both urban and rural local bodies). This revision may contribute to increase in property tax income. We recommend that as a first step to property tax rationalization the permanent building number currently being experimented in the Thanalur Panchayat in the Malappuram district may be extended to the state as a whole.**

3.3.4.2 Profession tax is collected in most of the ULBs. But the coverage of this tax is poor. Government departments and semi-government offices (KWA/KSEB etc) are generally covered, since it is now the duty of the head of

the offices to file the list of employees, collect profession tax due from each one of them and remit that to the local body. However, private offices, trading establishments, and other private enterprises employing salaried persons are not brought under the tax net. This expansion of tax coverage may yield good returns and increase the profession tax revenue of the Municipality and Panchayats.

3.3.4.3 The urban local bodies generally have poor performance in the collection of advertisement tax, since all advertisements within the urban area is covered by Municipal regulations. Many bill boards and posters escape this regulation. Moreover, government guidelines also provide for collection of ground rent for boards erected on road margins and in public properties. This is rarely collected. Perhaps there is scope for improved performance in the collection and coverage of advertisement tax.

3.3.4.4 Non-tax revenue: One significant aspect is the wide scope for enhancement of revenue from collection of non tax revenue. Items under licence fees, permit fees, user charges, service charges etc. need to be brought under periodic review for coverage and enhancement.

3.3.5 Efficient tax administration is the key to effective revenue-raising. A scientifically evaluated demand register for at least the major taxes viz property, profession and entertainment taxes is an essential step in this regard. This was conspicuously missing in all the local governments we have studied including the Thiruvananthapuram Corporation. Sometimes it turns out to be a case of self-deception. For example in the Ayyankunnu panchayat, the DCB (demand, collection and balance) statement beautifully matched for property, profession and entertainment taxes for nearly a decade in succession. During the six years from 2001-02 through 2006-07 (period for which we have continuous data) the average increase in taxes was only 5.82 per cent per annum. At the

same time during the 9th and 10th plan periods the rate of increase in plan grants was 11.1 per cent. The central government grants form only a negligible component in regard to all the local governments. For example in the case of Ayyankunnu panchayat in 2006-07, a year which received the highest central government grant, it formed only 5.4 per cent of the total revenue. Indeed it is the State Plan grants that make all the difference to the finances of the local governments. If during the 10th plan all the local governments stepped up their capital expenditure (Ayyankunnu at the rate of 39.2% per annum) it was due to the plan grants. Although there is sharp year to year fluctuations, during the period of the 10th plan (a period for which continuous data were supplied) it is significant that capital expenditure in Kalamassery municipality increased from Rs.4.3 million in 2002-03 to Rs.35.8 million in 2006-07, the latter increase being largely due to loans. On the revenue account, the municipality was running a persistent deficit. (For details see the study by G.Gopikuttan). The share of OSR which accounted for 51.26 per cent of the total revenue of the municipality on an average during the 9th plan fell to 44.6 per cent during the 10th plan. For improved quality of services, better maintenance and taking bankable development project, strengthening of OSR is a necessary condition.

3.3.6 For our query regarding poor tax effort the stock answer given is the lack of adequate staff. In certain cases this is very true. Give the tremendous revenue potential that remains untapped increasing tax collection personnel could be economically productive. For example, there were only three persons to collect and keep the accounts of over 35000 assesseees in the Kalamassery municipality. **Besides staff shortage, frequent reorganization of wards, lack of training in the use of modern accounting practices and softwares and frequent transfers of personnel definitely create problems in revenue collection and keeping of accounts. Some incentivising rewards can be helpful in augmenting revenue. A computerized data base of all properties using GIS mapping may be**

prepared at least for all municipalities to start with. The following quote from the Audit Report on the Kalamassery municipality is cited as it has some general relevance:

“The municipality did not pay adequate attention to keep account register. Important registers such as deposit register, registers detailing the loans, investment register etc. are not maintained properly.....’ files detailing expenditures for Municipal funds were not made available for audit despite repeated written requests” (Audit Deputy Director No. LFE (MI) 1153/05 dated 18.05.06/06/10/8/06 addressed to Chairman Kalamassery Municipal Council). In this context we wish to reiterate the recommendations of the Third State Finance Commission (Para 11.11) which says: **“It is essential to have a Finance and Accounts Wing even in the gram panchayats. At least one person competent to handle these functions should be made available to each local self government”.** We fully endorse this. But we would like to implement it as part of a comprehensive and rational restructuring of the staff pattern preferably through a detailed work study. It is important to appreciate the tremendous increase in the work load of Gram Panchayats and ULBs so that the staff strength should be related to the size (area and population), quantum of plan funds and responsibilities handled and other relevant norms. Besides the obligatory works, panchayat have to take up a wide range of developmental activities to be strategised through a given planning methodology, several significant centrally-sponsored schemes like NREGA, SSA mid-day meal scheme and the like, new marriage register, preventive health care programme, prevention of the use of plastic goods, wastage management, the additional burden imposed by the Right to information Act and so on, besides the special responsibilities of the Accounts wing which should include the work connected with tax assessment, prevention of unauthorized buildings and trade, issue of licenses etc, collection of arrears and revenue recovery, keeping the various accounts registers and up-to-dating them and so on. It is not a case of increasing

staff strength per se, but augmenting efficiency and enhancing the quality of delivery of services with appropriate utilization of computers and deployment of adequate staff.

3.3.7 One important shortcoming noticed in all the LGs was the failure to use Budget as an instrument of financial control. The transferred institutions seldom appear in the picture. While plan receipts and expenditures are duly accounted for, (this is needed to get the plan grant) this cannot be said about others. Also plan grants and their expenditures are not integrated as part of a comprehensive financial statement of the LGs. This is a serious lacuna. We are unhappy to say that account rules and Budget rules have not happened. In the absence of Budget rules, the Budget Manuals could have been followed. This also has not been followed. There is need to have a periodical review of utilization of funds. The Finance Standing Committee should examine the monthly accounts, point out defects and initiate remedial action. Every LG should prepare an *Economic Review* corresponding to those prepared by the state government. It should contain a chapter on Assets and Liabilities. The guidelines/ Rules may be suitably modified.

3.3.8 In sum, revenue base differs from GP to GP significantly. So also are revenue efforts. There is tremendous potential for augmenting both tax and non-tax revenue. Grants should not turn out to be a disincentive to revenue effort. Creating an Accounts wing for collection can improve revenue yield. But this should be part of a general streamlining of administration including introduction of computers and adequate supply of staff based on a scientific work study.

Chapter 4

A Critique of Decentralised Planning

4.0 Articles 243G, 243W and 243ZD mandate the local governments to take to appropriate decentralised planning. In carrying these mandates forward, Kerala has initiated and implemented several innovative measures. For analytical convenience this chapter is organized under four parts. In the first part we try to recapture the question: what exactly have been the objectives of decentralised planning that happened during the 9th and 10th Five Year Plans, originally called Peoples Plan Campaign (PPC) and later rechristened Kerala Development Programme. From the wide range of literature on decentralised planning available in Malayalam and English we try to capture and spell out the core objectives and methodology. This is what is done in Part I. Part II focuses on the macro dimensions. It focuses on the macro trend in the overall and sectoral growth. In view of the great accent given to agriculture in the scheme of decentralised planning, we present also the trend in the production of the major crops on which panchayats have been assigned major responsibilities. In Part III we present the important findings of the 3 micro studies which focuss on decentralised planning. Part IV raises certain issues that arise from these discussions followed by a set of recommendations. Chapter 11 is to be seen as complementary to this chapter.

Part I

Objectives and Methodology

4.1 Objectives of Bottom up Planning

Every local government is constitutionally mandated to 'plan for economic development and social justice' and to prepare 'a draft development plan for the district as a whole' by a District Planning Committee to be duly constituted. The specific objectives of decentralised planning and the modus

operandi strategizing them are left to be detailed by the concerned state. The basic objectives of decentralised planning avowedly pursued during the 9th and 10th Five Year Plans in the state are spelt out below. For the 11th plan also there is no substantial difference.

- Promote local economic development by increasing production and productivity of agriculture (which is to be organized on a watershed basis) and allied sectors and traditional and small scale industries with focus on employment and poverty reduction.
- Reduction in gender disparities
- Integrated area development
- Upgrade the quality of basic services provided by local governments with special emphasis on health, education, water supply, sanitation including solid waste management and care of the disabled.
- Improve governance particularly with reference to transparency, people's participation and responsiveness.
- To bring about an organic relationship between transferred departments and local governments and bring in role clarity.

One can mention many more. But these are the most important. Even a small but steady progress in realizing these objectives can make substantial impacts.

4.2 A Critical Evaluation of the Methodology

4.2.1 Kerala is one state in India that evolved a methodology of decentralised planning (for that matter with no parallel elsewhere in the world) and sought to implement it. In this section we present a critical evaluation of the methodology currently being practised in the state. It is more or less stabilized and in many respects institutionalised⁴. While one can legitimately point out that the verve

⁴ For an authentic account of the way in which the People's Plan Campaign was launched in mid-1996 and how it evolved during the 9th Plan, see Thomas Isaac and R Franke (2000).

and vigour of a campaign mode is missing, that it got institutionalised itself is a great achievement. But the real danger is when it gets routinised.

4.2.2 The methodology envisages several steps. The first step in the process is needs identification of the local community through a meeting of gram sabha/ward sabha i.e. the electoral constituency of a gram panchayat or municipality member. Such meetings presided over by the elected member from the ward articulate the major findings and forward them to the concerned local government. If it goes well, indeed it is a great idea and a powerful anti-dote to the extant elite-oriented liberal democracy. But when it becomes a routine affair and a meeting place of beneficiaries or benefit seekers or when attendance gets fudged an important democratic tool stands discredited and the bureaucracy comes back with a vengeance. The gram sabha/ward sabha meetings which could have been developed into a forum for consensus building or throwing up constructive ideas for development purposes lose their significance. Using the expressed 'felt needs' and based on local history and using the available secondary and primary sources that could be deployed, a Development Report is prepared for five years for every local government, rural and urban. It sets out the directions for future development and is a key document. That these Reports for all gram panchayats and urban local bodies were prepared for the 9th and 10th plans is a great achievement. Even so in some of the panchayats spare copies were not available and some of the new presidents/members apparently do not seem to appreciate the significance of such documents leave alone their contents for planning and evaluation.

4.2.3 In order to identify the more specific details of the Annual Plan, a one day **Development Seminar** based on the gram sabha/ward sabha feed back and Development Report is held. The ideas thrown up in all these stages are translated into a shelf of projects (seldom done on a proper cost-benefit analysis

basis) by 10-12 working groups (formerly called Task Forces) and comprising local level experts, officials and people's representatives. The Technical Advisory Groups (TAGs) at the Block or the District Level consisting of official and non-official experts vet the projects for their technical and financial viability. The District Planning Committee (DPC) gives formal approval, which is effectively the sanction for local governments to start implementation. These multi-stage processes of decision-making are significant steps towards debureaucratization.

4.2.4 While more specific comments as well as recommendations are reserved to the last part of this chapter, a couple of general observations at this point seem to be relevant. While participation is important, the whole approach lacks technical input and support. The quality of work of the Working Groups and the exercise of projectisation would have improved if the GP presidents/Chairmen of the Municipalities had engaged outside experts at least selectively. DPC is also not technically strengthened. [For more details See Part III below].

4.2.5 The plan-making process and the budgetary process is not integrated. One is independent of the other. This is in spite of Appendix IV which is an integral part of the State Budget. Not only that, the local plans are not integrated to the State Plan. Without an organic link between the two the so-called Five Year Plan and the Annual Plan have not much significance.

4.2.6 The strategisation of decentralised planning raises the fundamental question of the optimum mix of top down and bottom up planning. There is an understandable anger that has been raised in several quarters against the plethora of guidelines and directives issued from above spelling out the elaborate details of the steps in planning to be followed in overall sectoral and special component plans, fixing percentage allocations to various sectors, women component plan, anganwadis, ashraya etc. Such elaborate guidelines, not always

consistent are top down exercises that can sap initiative and autonomy. The guidelines go into minute details (ostensibly to produce a well-orchestrated planning exercise) and even with the best of professional support an ordinary village panchayat president will find it difficult to carry them out particularly seen within the stipulated time frame. **At this stage of evolution of decentralised planning and local democracy however, complete autonomy means rudderless rowing and could surely be counter productive. It is here that the DPC, the State Planning Board and the Department of Local Self Government may have to strike a pragmatic balance through a consultative process.**

4.2.7 Several innovative institutions created as part of the decentralised planning exercise in the initial years stand virtually abandoned. The most important of these is the Beneficiary Committee system. That 25 per cent of the Beneficiary Committee system worked well⁵ despite the heavy odds they had to encounter against the well-entrenched technical and administrative bureaucracy is proof that it must have been streamlined and sustained rather than abandoned. Apparently nobody seems to be worried about the continuation of the contract system and the archaic public works manual which have facilitated and legitimized corruption in the state. Another is the neglect of the tremendous potential in enhancing the mobilization of resources through beneficiary contributions and voluntary services and contributions in financing the Annual Plans⁶. For e.g. in 1998-99, for every rupee of plan grants spent, the total expenditure was Rs.1.14 [See Oommen (2004)].

⁵ See Pillai A R V (2000).

⁶ For a detailed discussions of this See Oommen MA (2004).

Part II Some Macro Trends

4.3 The General Trend and Sectoral Growth

4.3.1 Admittedly decentralised planning since mid-1996 signals a watershed in Kerala's development history. Now that more than a decade of planning has gone by, a pertinent question that comes up is whether economic development has increased and the quality of service at the ground level improved. We address the first question here and the second in chapter 8.

4.3.2 A structural transformation in the composition of the GSDP has been underway even before the 73rd /74th Amendments. But it appears that the fall in the share of the primary sector notably that of agriculture has been much sharper during the decentralization regime than during the earlier period. For example, while the contribution of agriculture to GSDP declined by 7.72 percentage points, falling from 22.26 per cent in 1997-98 to 14.54 per cent in 2006-07, it was only 5.43 percentage points during the earlier decade spanning 1987-88 through 1996-97. In a growing economy the shrinking share of agriculture is not a problem provided the rate of growth in production and productivity is reasonably good. Table 4.1 shows a comparison of the sectoral growth during the 1981-93 and 1994-2007 periods, the latter being a clear decentralization regime. **It is obvious from the table that the overall growth performance during the post-Amendment regime has been very good. While the overall growth during 1981-93 was at the rate of 3.69 percent per annum, it was at the rate of 6.57 during 1997-2007. The significant exception is the agricultural sector which witnessed a negative growth rate of the order of -0.29 rates per annum. It is incorrect to put the blame of this on decentralised planning. Even so, we can firmly say that the overall impact on agriculture has not been good.**

Table 4.1
Growth Rate of Pre Amendment and Post Amendment regimes:
A Comparison

Year	1981-1993	1994-2007
Primary	2.87	0.07
Agriculture	3.42	-0.29
Secondary	3.66	6.82
Manufacturing	4.09	2.46
Tertiary	4.47	9.39
Construction	2.62	9.90
State	3.69	6.57

4.3.3 Rice, pineapple, banana, other plantains, tapioca and coconut are the major crops which the panchayats in general have tried to promote. In three Tables [4.2(a), 4.2(b) and 4.2 (c)], we have tried to outline the trend in area, production and productivity of these crops during the 9th and 10th Five Year Plans and the overall decadal growth. Three major crops viz. rice, tapioca and coconut have registered a declining trend in area. **The slower rate of growth in the area of all the six crops during the 10th Plan period compared to the 9th Plan [See Table 4.2(a)] is surely a matter for concern. True, there has been improvement in the rate of production of all the crops except that of pineapple. The most hopeful trend is the positive growth trend in the productivity of rice, banana, other plantains, tapioca and coconut during the 10th plan compared to the earlier period along with the overall growth. But the significant decline in banana crop productivity (at the rate of 5.5 per cent per annum) when we take the entire decade is something that the panchayats where banana cultivation is important will have to pay immediate attention. The decline at the rate of -3.74 percent in the area and -1.32 percent in the production of rice during the 9th plan and with a corresponding decline at the rate of -3.63 and -0.42 percent per annum during the Tenth Plan, although slightly moderated during the latter plan period is indeed alarming. The clarion call of the state (made in the first**

week of January 2009) urging everyone to head for the State's paddy fields, although very late is extremely important to be addressed on a war footing by both the State and local governments in tandem.

Table 4.2(a)
Trend in the rate of growth of Area of Important Crops relevant to the Panchayats (1996-2006) KERALA

Crops / Year	Rice Area	Trend in Area			Pineapple Area	Trend in Area			Banana Area	Trend in Area			Other Plantain Area	Trend in Area			Tapioca Area	Trend in Area			Coconut Area	Trend in Area		
		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years
1995-96	471150	0			7490	0			26267	0			46594	0			113601	0			914370	0		
1996-97	430826	-8.56			8580	14.55			28855	9.85			49224	5.64			120387	5.97			902104	-1.34		
1997-98	387122	-10.41			9080	5.83			31001	7.44			49639	0.84			121389	0.83			884344	-1.97		
1998-99	352631	-8.91			8963	-1.29			30521	-1.6			50947	2.64			112774	-7.1			882288	-0.23		
1999-00	349774	-0.81	-3.74		9484	5.81	6.06		39046	27.9	14.8		53252	4.52	2.8		111922	-0.76	-1.58		925035	4.85	0.96	
2000-01	347455	-0.66			10692	12.74			45059	15.4			54353	2.07			114609	2.4			925783	0.08		
2001-02	322368	-7.22		-4.00	11159	4.37		4.75	50871	12.9	8.52		55183	1.53	0.75		111189	-2.98	-3.77		905718	-2.17		-0.15
2002-03	310521	-3.67			10943	-1.94			55668	9.43			54811	-0.7			104179	-6.3			899198	-0.72		
2003-04	287340	-7.47			11484	4.94			55906	0.43			53496	-2.4			94297	-9.49			898498	-0.08		
2004-05	289974	0.92	-3.63		12680	10.41	5.2		58866	5.29	2.17		54612	2.09	-0.3		88486	-6.16	-3.9		899267	0.09	-0.64	
2005-06	275742	-4.91			13000	2.52			61400	4.3			55222	1.12			90539	2.32			897833	-0.16		
2006-07	263529	-4.43			13250	1.92			59143	3.68			53060	-3.9			87128	-3.77			870939	-3.00		

Source: Area data, Directorate of Economics and Statistics

Table 4.2(b)
Trend in the rate of growth of Production of Important Crops relevant to the Panchayats (1996-2006) KERALA

Crops / Year	Rice Production	Trend in production			Pineapple Production	Trend in production			Banana Production	Trend in production			Other Plantain Production	Trend in production			Tapioca Production	Trend in production			Coconut Production	Trend in production		
		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years
1995-96	953026	0			63800	0			362917	0			229493	0			2500113	0			5155	0		
1996-97	871361	-8.57			57316	-10.2			403673	11.23			338871	47.66			2691118	7.64			5276	2.35		
1997-98	764610	-			55837	-2.58			436717	8.19			356622	5.24			2741696	1.88			5210	-	1.25	
1998-99	726743	-4.95			73707	32.00			386588	-	11.48		397986	11.60			2630155	-	4.07		5132	-	1.50	
1999-00	770686	6.05	-1.32		68258	-7.39	9.98		398145	2.99	-4.54		410566	3.16	2.12		2531752	-	3.74	-2.34	5680	10.7	1.78	
2000-01	751328	-2.51			84599	23.94			327955	-	17.63		403695	-1.67			2586903	2.18			5536	-	2.54	
2001-02	703504	-6.37			83873	-0.86			375903	14.62		2.53	393182	-2.6			2455880	-	5.06	-0.77	5479	-	1.03	
2002-03	688859	-2.08			94842	13.08			421809	12.21			409282	4.09		1.63	2413217	-	1.74		5709	4.20		2.03%
2003-04	570045	-			95001	0.17			442220	4.84			399717	-2.34			2540790	5.29			5876	2.93		
2004-05	667105	17.03	-0.42		101912	7.27	2.88		475371	7.50	3.00		416115	4.1	2.36		2400043	-	5.54	0.97	6001	2.13	1.93	
2005-06	629987	-5.56			103000	1.07			491823	3.46			445333	7.02			2568284	7.01			6326	5.42		
2006-07	641577	1.84			105000	1.94			463766	-5.70			435635	-2.18			2518999	-	1.92		6054	-	4.30	

Source: Production data, Directorate of Economics and Statistics

Table 4.2(c)

Trend in the rate of growth of Productivity of Important Crops relevant to the Panchayats (1996-2006) KERALA

Crops / Year	Rice Productivity	Trend in Productivity			Pineapple Productivity	Trend in Productivity			Banana Productivity	Trend in Productivity			Other Plantain Productivity	Trend in Productivity			Tapioca Productivity	Trend in Productivity			Coconut Productivity	Trend in Productivity		
		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years		Annual	5 Years	10 Years
1995-96	2022.8	0			8518.0	0			13816.5	0			4925.4	0			22007.8	0		5637.762	0			
1996-97	2022.5	-0.01			6680.2	21.58			13989.7	1.25			6884.3	39.77			22353.9	1.57		5848.55	3.74			
1997-98	1975.1	-2.34			6149.4	-7.94			14087.2	0.7			7184.3	4.36			22586.0	1.04		5891.373	0.73			
1998-99	2060.9	4.34			8223.5	33.73			12666.3	10.09			7811.8	8.73			23322.4	3.26		5816.695	-1.27			
1999-00	2203.4	6.91	2.51		7197.2	12.48	3.69		10196.8	-19.5	-16.84		7709.9	-1.3	-0.67		22620.7	-3.01	-0.77	6140.308	5.56	0.81		
2000-01	2162.4	-1.86			7912.4	9.94			7278.3	28.62			7427.3	-3.67			22571.6	-0.22		5979.803	-2.61			
2001-02	2182.3	0.92		1.57	7516.2	-5.01		1.74	7389.3	1.52	-5.52		7125.1	-4.07	0.87		22087.4	-2.14	3.13	6049.344	1.16		2.18	
2002-03	2218.4	1.65			8666.9	15.31			7577.2	2.54			7467.2	4.8			23164.1	4.87		6348.991	4.95			
2003-04	1983.9	10.57			8272.5	-4.55			7910.1	4.39			7471.9	0.06			26944.5	16.3		6539.803	3.01			
2004-05	2300.6	15.96	3.33		8037.2	-2.84	-2.2		8075.5	2.09	0.81		7619.5	1.98	2.7		27123.4	0.69	5.07	6673.213	2.04	2.59		
2005-06	2284.7	-0.69			7923.1	2.03			8010.1	-0.81			8064.4	5.84			28366.6	4.58		7045.854	5.58			
2006-07	2434.6	6.56			7924.5	2.44			7841.4	-2.11			8210.2	1.81			28911.5	1.92		6951.118	-1.34			

4.3.4 Although one cannot firmly say that much of what happened in terms of production and productivity are due to decentralization, the overall impact seems to be positive and holds out great promise.

4.3.5 In this context it may not be wide off the mark to narrate the story of the Thalayazhom gram panchayat⁷ in the Kottayam district. The panchayat is predominantly agriculture-based with 33 group-farming societies (Padasekhara Samithis) engaged in paddy cultivation. One of the major problems of the panchayat was the long standing neglect of paddy farming, leaving land fallow for up to 15-20 years. In 2006-07, the panchayat in collaboration with the Vaikom Block Panchayat launched a massive project of providing 32kg of seeds plus Rs.600 of fertilizers per acre to each Padasekharam involving a total cost of over Rs.9 lakhs. The Cooperative Banks were roped in to provide interest free loan up to Rs.10000 per acre. The Padasekharam Samithis have tillers also purchased with panchayat subsidy. The farmers responded to this with great alacrity and today more than 80 per cent of the paddy lands of the panchayat is regularly cultivated. The Agricultural Development Council, comprising people's representatives, officials, party representatives etc., reviews the scheme periodically. A farmer member of the council said: 'Now no one can complain that rice cultivation is a losing game'. **A 'pure' economist may raise his eyebrows and say that there is over-subsidization. But from a social perspective it is a worthwhile scheme. Lands lying fallow for several years in succession have been brought under the plough. This is important for a state which hardly produces 15 per cent of its rice requirements. We face food insecurity. Now that there is a huge land mafia making inroads into paddy lands for reclaiming for tourist spots and urban habitats in the region, the best antidote seems to be to make cultivation remunerative. Unless we arrest the disquieting decline in the area under rice**

⁷ The Chairman in his personal capacity visited the panchayat and held two day consultations with the president and members, Block representatives, officials and a wider section of the local community.

cultivation, [See Table 4.2(a)] the economy and ecology of the state will suffer irreparable loss⁸. The panchayats have a vital role to play and the Thalayazham story is recorded for the illustrative lesson it throws up.

4.3.6 Some general inferences based on the review with special reference to agricultural sector are noted here.

- ◆ **Issues in the agriculture sector cannot be handled by the LGs alone. There are several issues of coordination and convergence which are policy-related. Lack of coordination among different departments/agencies (agriculture, animal husbandry, irrigation, electricity board etc) in the sector is hampering its activities.**
- ◆ **In many parts, Krishi Bhavans do not deliver technical advice, guidance and support to farmers. It functions mostly as a subsidy disbursing agency. Services of Krishi Bhavan officials are controlled by their parent departments.**
- ◆ **Dual control of agricultural departments will have to be avoided.**
- ◆ **There is no critical minimum allocation of agriculture which today (2007-08) is well below Rs.700 per ha, in a GP.**
- ◆ **Farming activities should be included in NREGS works and ‘wage subsidy’ be provided to the Padasekhara Samithis to carry out farming activities.**
- ◆ **The possibilities of constituting Farmers Gram Sabha for plan formulation and social audit of projects in the agricultural sector may be explored.**
- ◆ **Local governments in a district may be advised to formulate an agricultural policy. The initiative may come from the DPC.**

⁸ In a Press Conference on November 20, 2008, the Agriculture Minister claimed that 11,500 hectares of lands kept fallow up to 30 years have been brought under the plough in different parts of the state. Needless to say, the cooperation of panchayats is vital here.

Part III

Decentralised Planning: The Micro Studies

4.4.0 As noted in Part II, the most innovative and probably widely acknowledged part of the decentralization project of Kerala is the multi-stage process of plan formulation which has widened the avenues of people's participation. It surely had tremendous debureaucratisation potential. We take up a few major institutions and instruments viz. gram sabha (ward sabha), the development report, development seminar, working groups and District Planning Committee (DPC) for purposes of empirical evaluation. All the observations and findings are based on the micro-studies covering three gram panchayats (Karimkulam, Koothattukulam and Ayyankunnu), two municipalities (Kalamassery and Koothuparamba), the Thiruvananthapuram Corporation and the three block panchayats (Athiyannoor, Pampankuda and Iritty). In these reports besides secondary data, inferences based on focus group discussions (FGD) and interviews with informed persons were used.

4.4 Gram Sabha / Ward Sabha

4.4.1 Participatory planning is expected to operate mainly through gram sabha/ward sabha, development seminar, working groups, Technical Advisory Groups and DPC. People's Participation and accountability to people are sought to be ensured through the ward level gram sabha/ward sabha, chaired by the ward members. Ten per cent of the voters constitute the quorum and the minimum number of meetings is four. Implementing officials are required to attend the Gram/Ward Sabha meetings. It is envisaged that the needs articulated at the Gram Sabha/Ward Sabha meetings be recorded, processed, prioritized and harmonized into the broad development plan for the Panchayat/Municipality. Generally, the Block Panchayats also discuss their proposals with gram sabhas that fall within their jurisdiction.

4.4.2 Table 4.3 gives a summary of the number of meetings held and the average attendance thereof in the three GPs and two municipalities under study for selected years.

Table 4.3
Gram Sabha/Ward Sabha Meetings

Name of LSGI	Average No. of Meetings	1997-98			2001-02			2006-07				
		Male	Female	Total	Male	Female	Total	Male	Female	Total		
Panchayats												
Ayyankunnu	4	97	111	208	4	73	64	137	4	73	60	133
Koothattukulam	3	161	89	250	4	340	320	660	4	212	293	505
Karimkulam	2	109	72	181	2	54	46	100	3	40	87	127
Panchayat Average	3	122	91	213	3	156	143	299	4	108	147	255
Municipalities												
Koothuparamba	4	53	25	78	4	65	51	116	2	69	103	172
Kalamassery	4	107	126	233	4	146	179	325	3	122	227	349
Municipalities Average	4	80	76	156	4	106	115	221	3	96	165	261

It is clear from Table 4.3 and from the details furnished for each ward meeting that except Ayyankunnu Panchayat no local government under study has strictly followed the statutory requirement of 4 meetings per year. The coastal panchayat of Karimkulam is a classic case in that they fell far short of the target of four in all the years studied. Obviously this is a statutory violation. As regards the Panchayats the early enthusiasm has not been sustained. In all the municipalities the reported attendance however seems to have increased. Women participation also has gone up. Although one cannot see this as a reflection of a more meaningful participation in the decision-making process, one cannot dismiss it only as a case of fudging of figures. Sustaining enthusiasm even when it involves some measure of 'mobilisation' is a good sign in a democratic context. In 1996-97, the attendance in 80 ward sabhs (now 86) of Thiruvananthapuram Corporation was as high as 24410 and that in 2006-07, the number was 23182 which though

lower was not a poor record. Actually it is not the number but active involvement in decision-making that is important.

4.4.3 An important factor that came out prominently in the Focus Group discussion was the declining role of the Gram Sabha/Ward Sabha in the decisions relating to plan formulation and implementation. Some criticisms and suggestions regarding the Gram Sabha/Ward Sabha based on the three studies are given below.

4.4.4 There is an allegation that the gram sabha register is manipulated. It was pointed out that in many wards the minimum of 50 (this is the quorum in case in the first meeting you do not get the statutory minimum of 10%) was the rule than the exception. Quite often the meetings turned out to be forums of beneficiaries. Presumably because most of them belong to the BPL categories, the educated youth, middle class and upper class shied away from such meetings. Under such a circumstance the gram sabha cannot become a meaningful forum to articulate the felt needs of the community, or critically comment on budgets, plan priorities, audit reports and the like. If in reality the entire voting public turns up, it would be a crowd rather than a purposive assembly. **One suggestion is to experiment with the possibility of a sub-system (like a Neighbourhood Group of men and women) below the ward which the ward members may use. Given the nature of clientelist politics that obtains in Kerala, the instrumentality of the sub-system may be used only after considerable debate. At any rate the sub system should be made a formal space by explicitly defining their roles, duties and functions.**

4.5 Development Report/Development Seminar

4.5.1 After all the ward sabha meetings called to assess the local 'felt needs', the local government has to prepare "a Comprehensive Development Report" and a Vision Document. The basic idea is to develop comprehensive area plans. It is for

the development seminars (DS) to discuss the development issues and set out the priorities, based on the Development Report (DR). In this section we may report the major findings of the three field studies regarding the DRs and DSs.

4.5.2 The practice of holding development seminars on the basis of development reports has continued in all the LGs under study. The attendance was more or less stable in some [For e.g. Ayyankunnu Gram Panchayat, Kuthuparamba Municipality) decreased in others (For e.g. Koothattukulam Gram Panchayat) and increased in still others (For e.g. Kalamassery Municipality). The Seminars are supposed to initiate a 'development dialogue' among the experts, administrators, transferred institutions and the public and to set the priorities that reflect the aspirations of the people which are key parameters in the decentralised planning exercise. This has not been much of a success. A brief quote from one of the Reports reflects the reality on the ground at least in certain areas: *"Development Seminar has become a ritual. Useful discussions are not taking place. Participants attend the meeting with the preconceived notion that all projects have been finalised elsewhere. Panchayat members do not have the enthusiasm to seek the support, the presence of various sections of society was also not always welcome to them"* [T.P.Sreedhar (2008) p.17]. The Panchayats/ Municipalities should have ensured the participation of experts including those from outside the local area, if necessary, to make the seminar more meaningful and purposive.

4.5.3 The DR is an important document. It needs to be modified and updated. Our interactions with Panchayat and Municipal functionaries show that the new generation of elected representatives and Presidents were not fully aware of the significance and usefulness of this document. In Appendix 4A, 4B, 4C, 4D and 4E we present a comparative picture of the major concerns and projects in the Ayyankunnu gram panchayat, Iritty block panchayat, Kuthuparamba municipality, Koothattukulam gram panchayat and Kalamassery municipality as given in their DRs and what were actually implemented during the last ten years.

One inference that can be firmly made from these Tables is that the DRs have served a useful purpose and have not been completely ignored at all. One can see that several concerns have been projectised and addressed [See Appendix 4B,4C, 4D and 4E] but many are not at all attended [See Appendix 4A]. There is a clear absence of a self-evaluation of what happened over the years and the rationale for setting newer visions, goals and targets is also not fully appreciated. This indeed is a malady.

4.6 The Technical Support Group and Projectisation

4.6.1 The technical support groups we consider here are the Working Group (called Task Force during 9th Plan) and the Technical Advisory Groups – TAG (previously called Voluntary Technical Corpse/Expert Committee etc). Working Groups (WGs) at GP, BP, DP and Municipal levels are expected to translate the demands and suggestions of gram sabhas /ward sabhas and development seminars into technically feasible, economically viable and socially beneficial projects. It is said that in the People’s Plan Campaign individual projects were conceived with “awareness of their forward backward linkages to achieve the maximum degree of overall integration” [Isaac and Franke (2000) P.128]. WG members are supposed to be trained and experienced persons capable to provide technical support to projects and programmes. For each local government there are about 8 to 12 WGs dealings with different sectors. The Technical Advisory Groups at the block and district level consist of experts from within and outside the government. They were expected to provide technical advice to LGs, vet technical projects and give technical sanction for works wherever required. The findings of the field studies unequivocally point to the yawning gap in the technical support mechanism of the decentralised planning project of the state. Indeed, it is the Achilles’ heel of the whole process of planning at the local level.

4.6.2 All the studies show that generally non-expert members dominate the WGs. In one case (Koothattukulam Gram Panchayat) it goes as high as 89 per cent in 2001-02. This trend was visible from 1997-98 onwards. Surely this has affected the quality of projects. Padding of WGs with favourites is a sure recipe to killing an expert body.

4.6.3 The study by Gopikuttan using a select sample of 30 WG members (10 each from Gram Panchayat, Block Panchayat and Municipality consisting of 8 officials and the rest non-official and non-expert members) to understand their roles and perceptions about the decentralised planning process throws some light on the working of these bodies. Five out of the 8 officials and more than two-third non-expert members worked in their respective local bodies during the 9th and 10th Five Year Plan periods. More than 50 per cent of them attended all meetings of the WGs. In three separate Tables given under Appendix 4F we have tried to categorise and summarise their responses. **All the officials from the Gram Panchayats and Municipalities and more than two-third non-expert members admitted that they had neither the training, nor expertise or the needed preparatory study to evaluate the technical feasibility and economic viability of projects** [See Appendix 4F Table (ii)]. The euphoria of the People's Plan Campaign no longer exists. Respondents generally admit that the whole WG exercises have become repetitive and stereotypical. From the various responses it appears that the non-official, non-experts found it effective. It was in the gram sabhas and Development Seminars that they seem to have played an important role. Their role in project and plan formulation and monitoring seems to be marginal [See Tables in Appendix 4F]. The non-officials in the Block Panchayat held the view that during the 10th plan the officials dominated the deliberations and decision-making of the Group. Regarding project formulations while two-thirds of the respondents from the Municipality and Block Panchayats reported that they were data-based, none said so as regards the Gram Panchayat [See

Appendix 4F Table (ii)]. It is significant that 50 per cent WG members opined that the projects were prepared based on local needs and concerns reflected in the Development Seminars. **However, more than one-third respondents held that new projects were prototypes of earlier projects and stakeholder consultations were seldom held. Probably as is clear from the responses a major role given to them was in explaining development projects in gram sabha meetings and development seminars. It was in this role and surely not in plan formulation and project preparations that they proved effective and useful.**

4.6.4 A couple of observations from these studies may now be noted. First given the poor expertise and training of the WG members, project formulation has ceased to be a professional exercise. We may quote from one of the Reports: *“It is disclosed that one junior clerk was forced to prepare 120 projects with respect to production and social service sectors in less than one month’s time. Similarly one lady clerk who is incharge of SC/ST welfare prepared the entire projects in less than two weeks time in another local body”* [G.Gopikuttan’s Report: p.25]. In the ultimate reckoning despite the WGs, clerks prepare the projects in a haphazard manner. Second, **there is no coordination of the reports of the various sectoral WGs.** In other words decentralised planning becomes a fragmented exercise. This negates the essence of making comprehensive area plans.

4.7 Expert committees (TAGs)

4.7.1 Discussions with various groups involved in decentralized planning helped us to understand various issues with respect to the functioning of TAGs. Some of them are noted below:

- 1. TAGs are dominated by non-expert members.**
- 2. The members of the TAG do not work as a team.**
- 3. There is delay in vetting the projects and LG members have to go after the TAG members individually for getting approval.**

4. **Some officials have to function as members of more than one TAG.**
5. **Departmental meetings and TAG meetings are some times held on the same day making it impossible for the officials to attend TAG meeting.**
6. **Some Departments do not co-operate with TAGs.**

4.8 District Planning Committee (DPC)

4.8.1 The DPC derives its constitutional authority from Article 243ZD which outlines the tasks of the body. The District Planning Committee in Kerala is constituted with the District Panchayat President as chairperson and the district collector as secretary. Four-fifth of the members are elected from among the district panchayat and municipalities of the district. The district level heads of departments are the joint secretaries of the DPC. As and when required DPC can constitute sub-committees to prepare plans for different development sectors of the district. They are also mandated to consult experts to improve the quality of planning. The major roles of DPC are:

- ◆ Approve plans and projects prepared by all tiers of LGs after due appraisal by the TAGs.
- ◆ Scientifically keep track of the development status of the district.
- ◆ Monitor and evaluate the development schemes of all departments and agencies at the district level.
- ◆ Integrate and consolidate local level plans prepared by all LGs of the region into a District plan. DPC should also integrate District credit Plan into the District Plan.

4.8.2 The field reports categorically suggest that in playing these roles the DPCs in Kerala have to go a long way. There is a general complaint that the DPC approval is a time-consuming process. We checked with records and found that days taken range from a minimum of 20 to 64 for providing approval to the

projects presented in the proper formats (See Table 4.4). This time lag especially at the time when the whole plan phases fall behind schedule create problems for plan implementation by local governments.

Table 4.4
Time taken for approval of plans and projects of LGs by
Kannur District Planning Committee (in days)

Year	Gram Panchayat	Block Panchayat
1998-99	NA	27
1999-00	NA	58
2000-01	NA	43
2001-02	NA	47
2002-03	35	58
2003-04	30	64
2004-05	28	21
2005-06	20	37
2006-07	30	34

4.8.3 Several members who participated in the various focus group discussions complained that though the role of DPC in planning is mostly technical, there were very few technical members in it. DPC while approving the projects of LGs need not confine itself to the guidelines but may go beyond them to sanction projects that can contribute to the sustainable development of the locality. DPCs in general seldom rose to this level. Not only that the DPC working has been painfully trivialized For example, today many DPC members approve projects with the qualification 'subject to the rules and guidelines issued by government from time to time'. So long as DPC degenerates into a mechanical plan approving body, its planning and coordination role is lost.

4.8.4 While making a fervent plea to strengthen the DPC and raise it to the status of a full-fledged constitutional body, only a few practical suggestions are given here. These should be seen along with the suggestions in Chapter 11.

- ◆ DPC should have more technical persons in it and it should also become a more broad based institution to include representatives of

GPs and BPs. In view of the fact that more than 70 per cent of development resources are managed by the GPs and they are at the cutting edge level they ought to be given more voice in the DPC. The LGs should have more autonomy and space to negotiate with the DPC and to convince (or debate) the rationality and logic behind their plans and proposals.

- ◆ **DPCs have worked well only in places where the Collector and planning officers have cooperated. This cooperation has to be ensured. More over a virtual secretariat for the DPC may be constituted with the District Planning Officer as the nodal officer. The district heads of sectoral departments must be joint secretaries of a DPC. The Planning office should not be reduced to the status of an appendage of the District Collector.**
- ◆ **The DPC should acquire capability (expertise and staff strength) for preparing District Plans, for prioritizing sectors and investments within the district and guiding the Block and Gram Panchayats and the Municipalities in project prioritization based on the vision in the District Development Plan.**
- ◆ **The time schedule for approving plans of different tiers should be specified well in advance and enforced strictly.**
- ◆ **Spill over projects which have already got DPC approval should not be submitted again for a second approval next year.**
- ◆ **LGs should have power to approve maintenance projects once technical sanction is obtained for annual repair estimates.**

4.8.5 We are convinced that the strengthening is not an isolated exercise but part of revisiting the decentralization process itself in the state.

Part IV

Some Issues and More Recommendations

4.9 In the earlier parts we have tried to evaluate the theory and practice of decentralized planning in Kerala in the light of the macro and micro evidences. Several recommendations that immediately follow were also made. In this section we raise some issues and provide more recommendations both general and specific.

4.9.1 That a fairly systematic, multi-stage, participatory planning methodology has been put into operation for well over a decade is a great achievement in the annals of decentralised governance anywhere in the world. Equally important are the achievements in housing, sanitation, drinking water supply, provision of electricity to the poor, improving connectivity, group farming and the like besides several local governments developing good development initiatives and practices. But the major issue is that the experiment in decentralised planning has become ritualized and in some even vulgarized. This trend must change and take a more creative and sustainable turn.

4.9.2 **One important aspect relates to making gram sabha a more viable and lively component of decentralised planning and decentralised governance in the state. Minimum of four GS meetings in a year is an extremely arduous task. In Kerala with an average of 15-20 wards per GP and much more for a Municipality or Municipal Corporation to convene such a huge number of meetings (on average 60-80 per GP) and requiring the officials to participate in all such meetings in a year is practically difficult. We recommend that GS meetings may be reduced to two and the quorum be reduced to 5 per cent. Every effort has to be made to make the GS meeting serious and productive. All the officials must be present and the participants should be informed of the actions taken on the responses and resolutions of the previous meetings.**

Important events of the village Panchayat area (e.g. out-migration, in-migration, festivals, cultural activities, school/sports achievements etc) must be reported in the meetings. Law and order, tax issues, health problems etc. must invariably find a place in the agenda. Prominent NGOs and Neighbourhood Groups, Youth Organisations, Mahila Samajams, religious leaders of the locality, trade union leaders, key party persons and even the 'press' may be specially invited to the meeting. Need identification should not be made a random exercise. It should be within a framework and part of an approach. Great care should be taken in choosing the time and place of the meeting. Gram Sabha meetings shall be held only on holidays. Attendance Register at the Gram Sabha meeting should be recognized as an official document. The security of the community must be entrusted to the gram /ward sabha. Also the security of public properties, roads, canals, etc. must also be made the responsibility of gram/ward sabha.

4.9.3 A glaring weakness of the decentralized planning process is its poor technical support base as we have already noted. The Working Groups and Technical Advisory Groups provide the major technical support base to decentralized planning, especially to the DPC. **Today they do not work as a Team. Filling expert groups with favourites is as good as making a mockery of the planning process itself. A panel of experts available in a district in various fields with detailed bio-data must be prepared based on the recommendations of the Panchayats and ULBs. The State Planning Board also can contribute to the preparation of the plan. From this panel subject committees and academic support teams which could help the process of planning must be constituted and they could also provide voluntary support to the process of local planning at the various levels.** Their services may be publicly acknowledged; since proper acknowledgement of their participation in the Panchayat / Municipal affairs may itself boost up their willingness to work with the LGs. As and when needed a

Panchayat President may use the services of experts not only by paying their travel costs but also by giving honorarium to remunerate their services.

4.9.4 Apart from the issue of building the technical base, there are several lacunae in the scheme of local planning that needs to be addressed. So long as everything is routinised, planning process becomes a caricature of what it ought to be. District Planning remains a weak and fragmented exercise. DPCs have failed to become an effective plan coordinating and monitoring agency which scientifically keeps record of the progress of development in the district. Surely it is only fit and proper that the DPC prepares the development guidelines for each district. **The state guidelines should be simple, brief and precise and possibly binding for a period of five years, with provision for a mid-year review (2 1/2 years) in the light of experience and lessons. There is no vision statement, objectives or targets at any level. Resource planning is next to nil. Projects in the transport/road sector were formed without any spatial planning. Watershed planning is not an integral component of overall planning. It appears that environmental planning has been completely left by the local governments although 243ZD mentions this as an essential part of the District Plan.**

4.9.5 **Coordination is the essence of multi-level planning.** This is conspicuously missing. Proper coordination between the local governments and the various line departments whose functional domains fall within the LG jurisdictions is absolutely essential. There is lack of coordination between the three tiers of the Panchayats. **It will be a good practice to have joint meetings of the development committees of the Block and Gram Panchayats at the plan formulation and implementation levels to avoid duplication and promote coordination and efficient implementation.** Of course there is no hierarchical linkage. Nevertheless there is tremendous scope for coordinated planning and action to obtain optimum outcome. **Strange as it may seem there is no coordination between the budget and plan at the local government level.** The agricultural

calendar and the financial year stand wide apart. Can the two be integrated through some budget manual change for the benefit of farmers and agricultural planning? There is no effort to link the credit plan of banks with the planning efforts at the district or below. Probably the worst part is the lack of proper coordination with the state plan. The two do not seem to gel well. **The State Planning Board and the Department of Local Self Government may initiate a discussion paper on how to facilitate coordination in planning in the state.**

4.9.6 Equally important as plan formulation and coordination is plan implementation. If all these have gelled, development at the sub-state level in the state would have opened a new chapter in the development history of the state and definitely the country as well. There is no project management system. Reportedly there is a dearth of personnel. Under the decentralisation regime the work load has increased. Besides the obligatory, developmental and planning functions devolved to the Gram Panchayats, central government projects (which includes such major projects like the NREGA) and state government projects continue to increase the work load of the Panchayats. Similar is the case with Municipalities and Municipal Corporations. The workload of the urban local bodies have increased manifold, without corresponding increase in staff strength and staff capability. Tax administration and revenue raising are major tasks and the whole work related to building permit, prevention of unauthorized buildings, unlicensed trades, managing sand-mining and revenue thereof, monthly preparation of revenue and expenditure presumably come under the tax administration. (In Chapter 3 we have recommended a special wing). Besides these are the work load relating to various committee meetings, prevention of epidemics, waste management, plastic control and work relating to the Right to Information Act. One can go on adding to the list: The work load differs from Panchayat to Panchayat and from Municipality to Municipality. **What is immediately required is to institute a Committee of Experts to study the work**

load under the new dispensation and suggest a staff pattern that will be rational and efficient. The process of deployment of functionaries must be expedited. The KSR originally designed for a centralized governance system must be suitably reoriented to suit decentralized governance. New recruitments if needed shall be made expeditiously. Frequent transfers should be stopped. This applies to all categories of staff. The Secretary and the implementing officers should work at least for 3 years in a place [See Section 3.3.7].

4.9.7 There is a wrong feeling that plan implementation means plan expenditure. Monitoring and evaluation must focus on outcomes. In this respect the Development Standing Committee has a special role. Implementation of project must not be the responsibility of the officer alone. It is desirable that each Panchayat should evolve a project management system where responsibilities are fixed in regard to the outcome, time frame, quality, asset maintenance and the like. The Tender Committee should be held responsible not only for the award of the tender but in regard to the various aspects of project implementation.

4.9.8 Development is a political agenda. But beyond policy and project level, development should be above sectarian and partisan politics. The responsibilities of the Development Standing Committee are manifold. Their action and inaction affect the lives of hundreds of people. It is desirable that the committee meet once in a week to review the development activities of the Panchayat. The Development Standing Committee (DSC) should work in close cooperation and collaboration with the implementing officers and vice versa. The DSC should have a list and details of projects and programmes of the implementing officers broken up to: (a) GP Projects (b) Block-District Projects and (c) Centrally Sponsored and State Sponsored Projects; in the case of Municipalities as (a) Municipal projects, (b) Department/sector wise state sponsored projects and (c) centrally sponsored projects. It should be their responsibility to outline a

mechanism of coordination, implementation and monitoring. Here the coordination and cooperation of higher level Development Committees will be desirable and useful. **It is high time that the elected members rise above their local ward loyalties and perceptions.** The Development Committee may do well to identify what works could be implemented with the cooperation of voluntary organizations or with private sector participation. In certain cases it may also be possible to obtain sponsors. The DSC must explore these possibilities.

4.9.9 One complaint that has been generally raised by the Panchayat functionaries is the frequent visits of a large number of auditors, many of them coming in March or in February when the Panchayats have a busy schedule of work. We are for strengthening the Audit System. But it should tone up the administration and enhance accountability. Municipality per se is not a problem if it helps accountability. The performance audit system originally designed to serve as a mid-course correction arrangement proved to be yet another audit system. **We recommend that the government may consider the discontinuance of the performance audit system. We also recommend that the number of Ombudsman may be increased with sittings spread over each district.**

4.9.10 The Beneficiary Committee (BC) system is a participatory institution developed as part of the Plan Campaign for project implementation. These BCs were expected to displace the contractor system and ensure the best use of plan funds without leakage. It was estimated that more than 50 per cent of the plan outlay of the local bodies generally consists of public work projects like buildings, roads, bridges, irrigation projects, side walls and the like [See A.R.V. Pillai et al (u.d.)]. Generally in Kerala and elsewhere in India public works projects involving huge outlays have been executed by the techno-bureaucracy through contractors. Over the years many people have come to view this as an integral part of development, a sort of TINA (There is no alternative). But in Kerala as probably elsewhere in India the real problem has been the endemic leakage of

public resources through artificial escalation of project estimates, manipulation of tenders, total disregard to quality specifications in the use of materials and several other means. **In fact a strong and long standing collusion has developed between the local political class, contractors, engineers and civil servants. The introduction of the concept of Beneficiary Committee was a response to meet this situation as part of the People's Plan Campaign.** It was envisaged that duly constituted committees of the potential beneficiaries take up construction works. We recommend that the Beneficiary System be given a new lease of life.

4.9.11 One of the important advantages of project implementation through BCs is their transparency and continuous social auditing. It was to ensure this that directions were issued to exhibit the name, project details, regular publication of accounts etc. on a notice board and print and distribute the final accounts among beneficiaries. With all the precautions taken, the BC system did not meet with great success. We may spell out some important reasons for this.

- (1) There were instances of contractors' nominees who masquerade as beneficiaries and work through the BC system. Not only that, these nominees get all the benefits (such as mobilization advance, tax exemptions etc.), (the) while implementation is also not properly done.
- (2) Most BC members were ignorant of the technical details of projects and were not always competent to execute them. Quite often they succumbed to the rent-seeking colluders.
- (3) The engineers often undervalued the project cost so that at the time of final payment BC convenors and others may have to cough up substantial sums. The negative role of the engineers proved to be so intimidating that the BC as a system yielded to pressures.

Even with all these the reported success of 25 percent is good enough to show that with proper monitoring and social auditing the system can be made successful.

4.9.12 To conclude, when a great effort get ritualized you celebrate the shadow; local democracy and the multi-stage process of decentralization remain in retreat. Fall in Gram Sabha/Ward Sabha attendance, and manipulation of it, the studied shying away by the upper class and educated from Gram/Ward Sabha meetings, the filling of expert bodies with partisans (WG, TAG etc.), preparation of projects by clerks, complete lack of professionalism and team work among DPC members and so on have made decentralized governance a caricature of what it ought to be. The suggestions given in this chapter take all these pathology into account and seek important correction.

Appendix 4 A
Comparison of Concerns Reflected in PDR Projects implemented in
Ayyankunnu Gram Panchayat

Ayyankunnu Gram Panchayat		
Development Sector	Major concerns	Projects implemented by LG
3.Agriculture	1. Shortage of irrigation facilities	Projects for supply of plumpest and digging of wells (1997-2002)
	2. Crop destruction by wild animals	Nil
	3. Soil erosion	Soil conservation and land development measures mainly bund construction (1997-2002) and (2002-07) Digging of pits.
	4. Shortage of Agriculture labourers	
	5. Shortage of organic manure	Production of bio-fertilizers, vermin compost
	6. Pests and diseases	Supply of sprayers and pesticides cutting of diseased trees (1997-2002)
Small-Industry	1. Lack of training for starting micro-enterprises.	Training in Nursing, Beautician course, Embroidery and Tailoring (1997-02) power loom training(2002-07)
	2. Lack of awareness	Nil
	3. Lack of credit facility	Nil
	4. Shortage of electricity	Nil
Education	1. Infrastructure for Govt. L. P. School	Building under SSA Play ground (97-2002); compound wall (2002-07)
	2. Drop out of ST students	Nil
	3. Poor quality of education	Nil
Health	1. Lack of infrastructure for Homoeo and Ayurveda Hospitals	Building for Ayurveda Hospital (1997-2002)
	2. Alcoholism, use of tobacco	Nil
	3. Lack of cleanliness	Nil
ST-Development	1. Landless conditions	Nil
	2. No proper houses for poor	Houses for ST(1997-2006)
	3. Lack of latrines	Construction of latrines(1997-2006)
	4. Lack of Drinking water	Drinking water projects(1997-2006) well construction in colonies
	5. Unemployment	Nil
	6. Education and social backwardness	Nil

Appendix 4 B
Comparison of Concerns Reflected in PDR Projects implemented in
Iritty Block Panchayat

Iritty Block Panchayat			
1. Industry	1.	Lack of infrastructure facilities	Project for Hatchery (1997-2002) Mini Dairy Unit(2001-20002) Women Industrial Complex (2002-07) Mini industrial Estate Subsidiary for women micro enterprises(2002-07) Site for women industrial estate
	2.	Lack of awareness	Industrial training Centre (2005-06)
2. Education	1.	Inadequate Infrastructure for schools	Kitchen facilities for High school-Toilets –Buildings for schools.
	2.	Deteriorating quality of education	Teacher training, camp for students, comprehensive education programme Education complex(2002-07)
	3.	Lack of pre-primary schools	Nil
ST-Development	1.	Lack of land and Houses	Houses and land for ST(1997-2007) House repair
	2.	Lack of Toilets	Construction of Toilets, Wells for drinking water
	3.	Illiteracy	Hostel building, Assistance to recreation club for furniture, TV
	4.	Unemployment	Distribution of goats, Training for self employment
	5.	Poverty	Assistance for Hospital treatment-Home for aged and handicapped.

Appendix 4 C
Comparison of Concerns Reflected in DR Projects implemented in
Kuthuparamba Municipality

Kuthuparamba Municipality	
Major Concerns reflected in PDR	Projects implemented by LSG
<p><u>Agricultural Sector</u></p> <p>Irrigation Facilities are few. Water logging is another issue number of diseases like bud rot and stem bleeding are common Cashew and pepper are on the decline due to diseases Vegetable cultivation very limited.</p> <p>There should be markets where the producer can sell without any intermediaries. Small rivers are filled with silt and there is need for removing the sit and deepening the streams. Check dams and cross bars are to be constructed. Tanks and ponds are filled with mud and it is to be desilted. Pump sets are to be provided. Electric connections are also to be given. In rice, group farming is to be promoted. Soil testing is to be done.</p>	<p>Irrigation pond construction(2002-03 to 2003-04) Project for pesticide application and removal of diseased trees (2001-06)</p> <p>Tuber crop intensification scheme(2002-03) Nil</p> <p>Nil Soil and water conservation programmes (2004-05)</p> <p>Integrated and comprehensive Agriculture programmes(2000-06) Integrated rice farming programme (2002-03) rice intensification programme(2005-06)</p>
<p><u>Education</u></p> <p>Lack of proper building for High School. Start school complex Health checkup in schools. Drinking water facilities in every school. Latrines and urinals in every school.</p>	<p>Construction of two new blocks for Higher secondary school</p> <p>Camps, workshop for making education tools, science exhibition. Nil Provision of drinking water Provision of toilets in schools.</p>
<p><u>Women</u></p> <p>Anganwadi functioning is not satisfactory. Training women in trade and business. Provide hostel facility for working women. In hospital maternity ward may be modified improved. More employment opportunities should be created for women</p>	<p>Anganwadi building Enhanced honorarium for workers Training for self employment Hostel for women (2003-06) Hospital building with all facilities Micro-enterprises for SHG women.</p>

Appendix 4 D
Koothattukulam Gram Panchayat - Concerns Reflected in the PDRs
and Projects Implemented in the Production and Social Service Sectors

Koothattukulam Gram Panchayat		
Sector	Major concerns	Projects implemented
Production	Shortage of Agricultural workers Soil erosion, Lack of irrigation facilities Local agricultural office is not farmer friendly Absence of storage and marketing facility for agricultural products Shortage of bio-fertilisers Shortage of fodder grass for cattle Industrial production units are absent	Agriculture seminar Support for construction and maintenance of irrigation wells Maintenance of agricultural office quarters Distribution of seeds Incentives for vegetable cultivation Project for production of bio-fertilisers Women industrial units Training to women for production of handicraft goods
Social welfare	Several deserving individuals and households are not getting the benefits of social welfare programmes Lack of basic amenities and infrastructure in SC settlements Educational attainments of the deprived sections, especially those belonging to SC community, is poor	Support for construction of new house and house repair Sanitation projects Roads to SC colonies Assistance for electrification of houses

Appendix 4 E
Kalamasserry Municipality - Concerns reflected in the DRs and
Projects implemented in the Production and Social Service Sectors

Kalamasserry Municipality		
Sector	Major concerns	Projects implemented
Production	Large scale conversion (filling and levelling of paddy fields Declining coconut production Soil erosion Vegetable production declines Organic/bio-fertilisers are not available Scarcity of cattle feed Inadequate power supply for small scale industrial units Financial institutions are not providing adequate financial support for small enterprises Environmental pollution	Integrated paddy cultivation Cutting diseased coconut trees Projects for compost production Support for integrated homestead vegetable cultivation 'Kamadhenu' insurance scheme Support for constructing cattle shed Maintenance of veterinary hospital building Establishment of Mini industrial estate to promote small scale industrial units Support for women headed pottery making units
Social welfare	Several deserving individuals and households are not getting the benefits of social welfare programmes Lack of housing and other basic amenities in SC settlements Scarcity of drinking water in SC colonies	Support for construction of new house and house repair Water connection in SC colonies Assistance for electrification of houses Support for latrine construction Provision for nutritious food to children belonging to deprived sections through Anganwadies

Appendix 4F

Table (i)

Responses of 30 sample Working Group members spread over Koothattukulam Gram Panchayat, Kalamassery Municipality and Pampakuda Block Panchayat

LSG	Particulars of Members							Attendance					Reason for Passive attendance				Reason for active participation					
	Members	Male	Female	Total	9th Plan	10 th Plan	9th & 10th	All Meeting	above 50 %	Below 50%	Remain full time	Remain for some time	Official pre-occupation	WG has no role	Political bias	Others	Space for developing GP	Acceptance by GB of panchayat	Part of official duty	Unbiased attitude of Panchayat	Gets role in monitoring	Others
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Koothattukulam GP	Officials	3	0	3	2	0	1	1	2	0	0	0	2	2	0	0	1	0	1	0	0	0
	Non Officials	6	1	7	3	0	4	4	3	0	0	0	0	3	0	0	4	0	4	0	0	0
	Total	9	1	10	5	0	5	5	5	0	0	0	2	5	0	0	5	0	5	0	0	0
Kalamassery Municipality	Officials	3	0	3	1	0	3	3	0	0	1	2	1	1	0	0	1	0	2	0	0	0
	Non Officials	4	3	7	0	1	5	6	1	0	6	1	0	1	1	1	7	5	0	2	0	4
	Total	7	3	10	1	1	8	9	1	0	7	3	1	2	1	1	8	5	2	2	0	4
Pampakuda BP	Officials	2	0	2	0	1	1	1	0	1	2	0	2	0	0	1	1	1	1	1	0	0
	Non Officials	7	1	8	1	0	7	7	1	0	8	0	1	2	5	2	5	8	2	8	3	0
	Total	9	1	10	1	1	8	8	1	1	10	0	3	2	5	3	6	9	3	9	3	0

Appendix 4F
Table (ii)

LSG	Particulars of Members							Effectiveness of working Group Reason						Work taken as member of GS						Project Preparation				
	Members	Male	Female	Total	9 th plan	10 th Plan	9 th & 10 th	Very effective	Not effective	Few activists	Lack of training	No preparatory study	Others	Participate in discussion	Evaluate previous projects	Discuss with shake holders	Interact with board members	Prepare projects	Explain projects in GS seminar	Data based	By evaluation of previous projects	Shake holders discussion	Based on development report	Stereotype
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Koothattukulam Gram Panchayat	Officials	3	0	3	2	0	1	0	0	3	3	2	0	3	0	2	3	2	2	0	0	0	0	3
	Non Officials	6	1	7	3	0	4	0	0	7	7	5	0	7	4	4	5	5	6	0	2	2	2	5
	Total	9	1	10	5	0	5	0	0	10	10	7	0	10	4	6	8	7	8	0	2	2	2	8
Kalamassery Municipality	Officials	3	0	3	1	0	3	0	1	2	3	3	0	2	3	0	0	3	0	3	3	0	2	0
	Non Officials	4	3	7	0	1	5	2	0	5	8	4	5	6	6	1	4	4	4	3	6	1	7	0
	Total	7	3	10	1	1	8	2	1	7	11	7	5	8	9	1	4	7	4	6	9	1	9	0
Pampankuda Block Panchayat	Officials	2	0	2	0	1	1	2	0	0	0	0	0	2	1	0	2	2	0	0	1	1	0	1
	Non Officials	7	1	8	1	0	7	7	1	1	0	0	0	8	4	8	6	8	4	7	5	6	4	2
	Total	9	1	10	1	1	8	9	1	1	0	0	0	10	5	8	8	10	4	7	6	7	4	3

Appendix 4F
Table (iii)

LSG	Particulars of Members							Comparison of 9th & 10th Plan					Role of WG members in Plan activities				
	Members	Male	Female	Total	9 th Plan	10 th Plan	9 th & 10 th Plan	Equally active	Initial enthusiasm gone	Official dominance	Stereotype	Any Other	Formulation only	Implementation	Monitoring	In GS and Seminar	Others
1	2	3	4	5	6	7	8	41	42	43	44	45	46	47	48	49	50
Koothattukulam GP	Officials	3	0	3	2	0	1	0	3	0	3	0	3	0	0	3	0
	Non Officials	6	1	7	3	0	4	3	4	0	4	0	7	0	1	7	0
	Total	9	1	10	5	0	5	3	7	0	7	0	10	0	1	10	0
Kalamassery Municipality	Officials	3	0	3	1	0	3	1	2	0	1	1	3	0	0	0	0
	Non Officials	4	3	7	0	1	5	2	5	1	2	3	7	0	0	4	2
	Total	7	3	10	1	1	8	3	7	1	3	4	10	0	0	4	2
Pampankuda BP	Officials	2	0	2	0	1	1	1	0	2	0	0	2	1	0	1	0
	Non Officials	7	1	8	1	0	7	1	7	8	2	0	8	6	3	8	0
	Total	9	1	10	1	1	8	2	7	10	2	0	10	7	3	9	0

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Chapter 5

Health and Decentralisation: Lessons and Recommendations

5.0 Kerala's achievements in health compared to the rest of India, be they in crude birth and death rate, total fertility rate, infant mortality rate, maternal mortality rate and life expectancy at birth with a high margin in favour of females are fairly well known and need no documentation. As in the case of education the private and public sector initiatives have contributed to Kerala's high health attainments. Even as far back as 1899-1900, the princely State of Travancore spent more than 4 per cent of its total expenditure on health, a trend that accelerated since the formulation of the Kerala state and paved the way for greater parity with the Malabar region. Also, Hospital Development Societies, Friends of Hospitals and similar such initiatives to ensure people's participation were brought into the system at various points of time and contributed significantly to the widely acclaimed Kerala model of health. In this chapter we are primarily concerned with the post 73rd/74th amendment scenario. Undoubtedly decentralization, enables direct accountability of public health institutions, more efficient management of resources, better linkages between information and planning and easier interagency coordination besides the natural capability to respond to the immediate needs of the community. In this chapter we try to examine whether the local governments notably the Panchayati Raj System and the local level planning process in the state have tapped the great potentials of decentralisation during the last one half decade.

5.1 The Health Scenario and Decentralisation

5.1.1 While the Kerala model of health has been widely acclaimed, serious concerns too have been raised. The crisis in the health status of Kerala stems mainly from the return of communicable diseases, vector-borne diseases, high

prevalence of life style diseases and degenerative diseases, lesser public spending on health following economic reforms, unbridled growth of the private sector and growing out of pocket expenses of individual households. Indeed out of pocket expenses to manage crisis have driven many poor families into deep indebtedness. It is important to note that the new decentralized dispensation was launched in the mid-1990s when such a crisis was brewing in the state.

5.2 Devolution in the Health Sector

5.2.1 Devolution of powers and responsibilities as we have noted in the earlier chapters is the key to effective decentralisation. The devolution of powers in the health sector authorized the local governments to plan, make decisions, raise revenues and monitor activities. As we have noted in Chapter 3 there is a pronounced devolution of finances by way of plan grant-in-aid and through the establishment expenses going to the local governments. Thus, though with certain do's and don't dos, devolution has empowered the local governments in many respects. However the powers to employ staff, to transfer them and to pay their salaries remain with the Directorate of Health services. More over, the management of the health system is divided between the local governments and the directorate with a vaguely defined administrative control resting with the former and the technical control with the latter. The entire primary and secondary level health institutions and their staff are transferred to the local governments. Actually, only the tertiary and specialized health institutions are left with the state. The broad policy choices and initiatives are also with the state. The following Table shows the structure of devolution.

Institutions Transferred

- Primary Health Centre (PHC)
- Community Health Centre (CHC)
- Taluk Hospitals

Tiers of Panchayats

- Gram Panchayats
- Block Panchayats
- Municipalities

• District Hospitals

- District Panchayats

5.2.2 The planning process followed has been as per the guidelines for planning issued by the government from time to time which is uniform to all sectors. But, the detailed procedures which should be followed in the health sector are given in the handbook for planning in health sector.

5.3 An Overview of the Outcomes of devolution

5.3.1 As part of sectoral planning every local government in the state has to prepare local plans for the health sector in respect of their local area. Local health plans in general, have addressed the proximate determinants of health like drinking water, sanitation, housing and child care through anganwadis. In the initial stages, especially during the People's Plan Campaign, there were efforts by many local governments to mobilize additional resources for the health sector. In many places, the stagnation of the earlier years in the improvement of PHCs was breached. Secondary level health facilities like the Taluk hospitals also benefited much from the local level planning in the initial stages. On the whole all these have improved the access and outreach of health care in those areas. A few local governments did come up with health projects which could be considered as models for others. It was the ayurvedic and homoeo dispensary facilities which received the maximum uplift. There were visible improvements in the facilities in these institutions. But, most of these achievements are only in patches and not universal across the state. The enthusiasm in the initial stages of the People's Plan Campaign has died down soon after the campaign. The projects which evolved later turned out to be routine or conventional and infrastructure-oriented. Even many of the innovative projects launched in the initial stages of the People's Plan Campaign, could not be sustained.

5.4 Views of Stakeholders and Experts

5.4.1 The stakeholders include elected representatives, doctors, paramedics, other support staff of the health care delivery points and of course the general public. The views of the stakeholders are classified into five viz, direct accountability of public health and health care institutions, linkages between information and planning, ability to respond effectively to different needs and capacities, efficient management of resources and better interagency coordination.

5.4.1.1 Direct Accountability of Public Health and Health Care Institutions: In general direct accountability of public health and health care institutions has improved. The institutions in general are now more accountable to the local governments. In the pre-decentralization regime, this accountability was only towards the state department. The fiscal devolution including the non-plan and the local government-led projects and the Plan are pointed as the main reasons for this development of accountability. In fact, it is to be noted that the doctors' organization was one of the few organizations which had formally objected to the transfer of health care delivery to the local governments when the Kerala Panchayat Act and Kerala Municipality Act were enacted. But, having worked with the local governments, especially in the planning process and after the routing of financial resources through the local governments there have been change in the accountability to the local governments as well as change in attitude to a considerable extent. This is not to say that there are no issues. **Even now, we cannot say that the so called transferred health care delivery institutions are administratively under the control of the local governments. However it is important that a working relationship has been established. Wherever the local governments did intervene positively, with better management and review systems, the service delivery has improved remarkably.**

5.4.1.2 Linkages between Information and Planning: Though the Plan guidelines and the health handbook have spelt out the detailed process for linking the data on health status and health indicators, it may be noted that there are not much linkages between these data or any other health related information and the planning process. **The health system in Kerala has a well drafted Health Information System (HIS) starting from the households to the PHC, block, district and state levels and updated on a monthly basis though the maintenance of HIS over the last few decades has been far from satisfactory. Properly recorded and maintained HIS could provide valuable input for health planning at local and state levels.**

5.4.1.3 Ability to Respond Effectively to Different Needs and Capacities: It is felt that the local governments in general have the ability to respond effectively to different needs and capacities. But, the technical and professional support and advice are required at the appropriate time. Local governments themselves lack adequate expertise and staff strength. Wherever this support had come, the involvement of the local government has fetched dividends, especially in terms of community mobilization and resource generation. In the regular annual plan preparation also, this trend is visible. It is here that the need for better coordination between the Directorate of Health Services through its district machinery and the local governments becomes more important. Secondary level health care institutions like the Taluk hospitals and district hospitals benefit a lot as the health sector projects by the (corresponding) local governments focus mainly on improvement of the concerned health care institution and thus many of the institutional needs especially those related to infrastructure are addressed. At such levels, the local government plans do not address the health status of the area as a whole, but rather try to improve the infrastructure and facilities of the institutions transferred to them.

5.4.1.4 Efficient Management of Resources: This of course varies from place to place. In mobilization of resources, both in terms of money and human resources, local governments have proved to be efficient in situations like epidemics or in specific programmes. But, efficiency and equity in money distribution, projects implementation and so on cannot be generalized. Involvement of the medical officer and the relationship between the local government authorities seem to be a crucial factor.

5.4.1.5 Interagency Coordination: In emergency such as in times of epidemics and in specific programmes, the local governments have shown the capability to coordinate the various agencies at the local level. But, the planning process in general does not seem to have this inter agency coordination. Many a time, health sector projects remain stand alone projects, though there is the need and potential for inter-agency coordination. In many instances, even when the local governments prove their capacity in inter-agency coordination, the trigger comes from a guideline or instruction from the state government. **This seems to be disturbing as the local governments tend to 'prefer' to be agencies of the state government.**

5.4.2 The overall impression one gets from the stakeholders views is that in almost all the five aspects considered above, there are examples of success and signs of potentials, but generally speaking they still remain as potentials.

5.4.3 We may now add three comments based on the views of experts. They are: inadequate allocation, poor planning and lack of convergence and coordination. In the early years of planning, allocation for health by local governments was less than two per cent of the total expenditure [See Varatharajan *et al* (2004)]. But, this figure is without considering the expenditure towards the proximate determinants of health, which focus more on the preventive aspects of health care. Based on the data furnished by the IKM for

2007-08, the allocation for health by GPs works out to 5.4 per cent of the total. This is a great improvement. **Health planning like all sectoral planning (See Chapter 4) has become routinised. Here the focus has shifted in favour of infrastructure. Actually there is need to strengthen infrastructure in several places (e.g. lack of consultation room or inadequate space, poor toilet facilities, lack of drinking water, functioning in rented houses to mention a few) as well as area based planning. More importantly the professional support is missing. Lack of coordination and convergence continues to be a serious problem. Convergence of various health programmes initiated by the DHS and the local governments at area level may bring in better results.**

5.5 Weaknesses at the Local Level

5.5.1 Taking into consideration the opinions of the stakeholders as well as that of the experts, the weaknesses in Panchayat level local planning in health sector can be generally summarized as follows:

- **Improvements are in patches only, both in facility as well as in service delivery**
- **Plans and projects are mainly of a short term nature and lack sustainability**
- **After the initial phase of the People's Plan Campaign, the health sector projects have been mostly infrastructure-based or facilities-based. The medical officers who should act as the kingpin of the planning process and projectisation in most cases leave it to junior functionaries or social activists.**
- **There is no link between available data and planning.**
- **Non-plan interventions are hardly taken care of by the Panchayats.**

- **Capacity for health care and health system planning, both of the professionals at the local level as well as of the elected representatives, are in deficit.**
- **Quality of actual delivery of services to the level of the citizens has not improved. A detailed survey of 20 GPs and 379 patients both out patients and inpatients conducted by the Centre for Socio-Economic Change in 2006 show serious shortfall in the quality of services provided at the PHC level. Some of them are reported below. While some can be attended at the local level, many need the attention of higher level authorities. Nearly 5 per cent of PHC do not have electricity connection. Only 60 per cent PHCs had adequate stock of drugs. Although there are serious inadequacies it is important to note that out of 379 patients surveyed 41 per cent were “fully satisfied” and received all the medicines prescribed by the PHC. One worrisome aspect is the fact 91 per cent of the patients have not heard about the citizen’s charter with reference to PHCs. In this way accountability to the community is rendered weak. This is also indicative of the poor growth of local democracy.**

5.5.2 Another weakness of the local governments is that the health units (LSG staff attending to health aspects) are overburdened with sanitation and solid waste collection and disposal. In the absence of environmental engineering staff, who should normally be attending to solid waster management (SWM) related tasks, local governments, whether in the GP, Municipality or City Corporation have prioritized SWM as their main activity. This situation needs to be reviewed. This calls for restructuring the staffing pattern at the LSGs.

5.5.3 There are reasons for many of these weaknesses and these provide us the opportunity to rectify the mistakes. Poor decentralized health planning without getting the health system and professionals into confidence did derail the process

of decentralized planning in the health sector in the beginning itself. This was followed by the conflicts between health department and local bodies especially the apathy shown by the former towards the decentralization process, made things worse. Though many of these were slowly cleared, the issues of dual control and ownership still bother the system. **This 'questionable' and 'doubting' ownership and the lack of professional support have led to failure to allocate adequate resources. This was intensified by the lack of understanding, capacity and confidence of the elected representatives in addressing the health issues. Still there is vagueness about decentralization in the health sector and there are no clear management system and guidelines in place, based on the subsidiarity principle.**

5.5.4 Integration Issues

One of the major issues facing the local government-led health system is the issue of parallel and vertical programmes. National Rural Health Mission has already undermined the process of local level planning in the health sector. In addition to this are the other programmes implemented directly by the various societies as in the case of HIV/AIDS and by the state department through the district network.

5.5.4.1 While the health sector programmes require integration with other development sectors and there are potentials for such convergence at the local level, no serious thought seems to have been made. The ICDS, Kudumbashree, Mahila Swast Sangh (MSS) and many other missions and programmes which have stake and programmes in the health sector quite often run parallel with the Panchayat Health Plan at the local level. Presumably this has something to do with the lack of a District Plan and the absence of involvement by the DPCs. [See Chapter 11].

5.6 Recommendations

5.6.1 The issue of dual control needs to be addressed. Though it is not practical to have completely single control, a system has to be in place addressing this with clear role, activity and responsibility mapping. While designing this system, clarity on administrative and technical functions should be made explicit.

- **Within the system, the role of standing committee is to be strengthened and operationalised.**
- **Specific guidelines have to be prepared for the integration and convergence of health related activities of ICDS, Kudumbashree, MSS, ASHA and others. There must be an integration of different agencies of health sector, possibly at the DPC level (e.g. Health and Sanitation Mission, Clean Kerala Mission, KRWSA etc.)**
- **Integration of NRHM with Panchayati Raj has to be done.**
- **A manual for health system on the basis of the Kerala Panchayat Act and Kerala Municipality Act has to be put in place. This manual should enlist the day to day management of the health system by the various levels like the local government, department and the institution. It should also put forth a new reporting and monitoring system in the context of the local governments. Roles of each actor in emergencies and epidemics, national programmes etc. have to be defined and included in the manual. Clear procedures on the management of non-plan funds by the local governments, departments and the institutions have to be prepared. Management of drugs, assets and facilities also need to be outlined in the manual, with focus on role clarity.**

5.6.2 A few tasks and responsibilities for the department and local governments are given below:

Departments

- **Department must provide technical support to the local level health activities, including support for planning, implementation and**

monitoring. But, this 'technical support' needs to be defined clearly. There has to be a list of specific support to be provided by the department to the local governments regularly as well as in times of emergencies and epidemics.

- It is the responsibility of the department to integrate the local plans with the overall health plan of the state. This is to be done through adequate information sharing, capacity building and ensuring regular feedback and monitoring.
- Department can function as the data manager and address the information-plan gap in the planning process.
- It should be the responsibility of the department to ensure drug and facilities and set norms of standards and quality
- Department needs to be fully involved in the district Plan and associated with the functioning of the DPC. Specific role and mandates have to be defined in this case.
- The regular monitoring and the evaluation processes undertaken by the department should invariably be linked to the local government plans. A local government cell at the department may be formed to streamline these activities.

5.6.3 Local Governments

- In the case of local governments also, there needs to be clear definitions on 'management of health care institutions' and 'administrative control'.
- Roles and responsibilities of standing committee which deal with health need to be detailed out.
- The medical officer of each system of medicine may be designated as 'Health Secretary' to the local government.
- While defining the roles and responsibilities of the local government, it has to be made clear that it is not just about the PHC or the health care

institution transferred to it that matters, but the health of the local government catchments area, should be the major concern.

- **Integrated Solid Waste Management schemes should be introduced in all panchayats as in the case of all urban local bodies.**
- **Since the local government is mandated to deal with the health of the area, clear regulatory arrangements needs to be evolved in dealing with the private sector. This may require important statutory changes.**
- **The manual mentioned earlier should address the linkage of health sector with the proximate determinants of health. Thus the manual has to be binding on the concerned sectors for the health relevant activities.**
- **Clear guidelines on convergence and integration of activities and sectors have to be defined in the manual and the role of the local government in ensuring them.**

5.6.4 District Plan

The absence of a district plan and the apathy by the DPCs have contributed a lot to the weaknesses in the local health plans.

- District health plan has to assess the health situation of the district and place it in the context of the state and national health scenario. It should also evaluate the local health plans of the previous years and also the state and national programmes in the health sector implemented in the district.
- Based on all these, the District Plan should set minimum quality and 'quantity' of services to be made available. This should serve as the guideline for local plans as well as the department health plan in the district through its various vertical programmes.
- During this process, the District Plan should find ways and means to integrate the vertical programmes with the local plans by each of them complementing or supplementing each other. As far as possible, the vertical programmes can be integrated at the local level through clear

guidelines in the District Plan. It can actually find possibilities of convergence at the local level.

- The District Plan can also address the spatial and equity issues in health sector in the district.

5.6.5 Local Plan

- As mentioned above, the District health plan has to set the guidelines for the local governments in the district.
- There have to be mandatory guidelines for achieving the minimum quality and quantity.
- Local government plans can follow certain norms for convergence and integration at the local level. This has to be enlisted in the district Plan and procedures spelt out in the manual mentioned earlier.
- Along with the annual plan, medium and perspective plans need to be prepared.
- Local government plans should be mandatorily made to be outcome-based plans by each local government.

5.6.6 Capacity Building

- The views of stakeholders and experts point towards the need for capacity building for local health planning and management, both for the professionals as well as for the elected representatives. The department should focus on providing training to the professionals as well as the elected representatives.
- Induction training of the professionals including the medical officers and paramedics need to be reoriented in the context of the emerging decentralized governance. They should be oriented towards health management in the local government settings. They require in-depth

training on technical aspects of health planning and management on a regular basis.

- The departments need to restructure their training centres to cater for these needs.
- While the technical aspects can be provided by these training centres, the integration with the local government system could be managed through a working collaboration with KILA while preparing the module and handbooks, and training of trainers.
- The departments should have a local government cell to streamline all these activities.

In sum, the tremendous potential for health care via decentralisation hugely remains untapped. There is need to improve the quality of services at all levels. The guidelines that govern the process of decentralisation vis-à-vis health in the state need revision. Although matters have improved, still neither the local governments nor the department are clear and consistent about their roles under the new dispensation. This must change.

Reference:

Varatharajan D, R.Thankappan and Sabeena Jayapalan (2004): 'Assessing the Performance Primary Health Centres under Decentralised Governance in Kerala, India' *Health Policy*, 19 (1)

CHAPTER 6

DECENTRALISATION AND MARGINALIZED COMMUNITIES

6.0 During the past six decades since Independence the governments at the centre and state levels have passed numerous legislations and introduced several programmes for the social, economic and political emancipations of the weaker sections in India. It is now explicitly recognized that these attempts have had only marginal impacts on their economic conditions. In most parts of India the scheduled castes and scheduled tribes continue to be victims of social inequality and economic deprivation. In Kerala the situation is far too different than in other parts of the country on account of the saga of struggles and public policy interventions in the past. The spread of social reform movements, public action including political actions, especially of the leftist parties have greatly influenced this process. The fisher-folk spread over its long coastal belt of the state who make vital contributions to the daily requirements of the society as well as to export earnings remain marginalized, live in miserable conditions and experience fatal risk while venturing in rough weather for livelihood. These categories constitute the weakest sections longing for improvements in land holding, infrastructure, employment, educational advancement and social status. Though certain level of socio-cultural advancement has already been achieved the gap still yawns wide. The SC/ST categories are given population-wise representation with reservations for the chairperson's position. This chapter focuses on the problems of the marginalized communities in the context of the new dispensation of decentralized planning and governance in Kerala.

6.1 The Problematic of the scheduled communities

6.1.1 The problematique of the marginalized communities may be brought into better relief by analyzing their macro picture supplemented by their situations revealed in a micro study of 11 gram panchayats and one municipality. The

SC/ST communities long subjected to traditional caste/class inequities depended heavily on land for their living. Although Kerala had one of the most advanced land reform legislations in India and probably in the whole of South Asia, the painful fact that remains is that the historical slogan of 'land to the tiller' was not carried to its logical details. Apart from giving kudikidappu land up to 3 cents in Corporations, 5 cents in Municipalities and 10 cents in Panchayats areas which benefited the SC/ST categories, the outcome of redistribution of surplus lands has not been substantial enough to make them real owner cultivators in any significant way. The hutment dwellings assigned nearly three and half decades ago have literally raised a problem of 'libensraum' among them. As of April 2008, the government have taken possession of 94, 216 acres and distributed 67946 acres, of which 24000 acres to scheduled castes and 6000 acres to scheduled tribes. The SC/ST although in this way got around 44 per cent of what was distributed, it was not adequate to attenuate the land-hunger of an other-wise deprived community. Although 4.57 lakh acres of waste lands were distributed, the share of SCs is presumably much below the 50 per cent target which the government order stipulated. The recent agitations at Muthenga, Aralam, Chengara and so on spearheaded by SC/ST people proclaim that land hunger remains a running sore on the body-politic of Kerala.

6.1.1.1 Are the SC/ST categories partaking in the transformation of the occupational structure in the state? A comparison of the 1991 and 2001 census clearly shows that by and large they share the broad pattern of change. Even so, it is important to note that the percentage of cultivators to main workers among scheduled castes declined from 3.1 per cent in 1991 to a low of 1.61 per cent. As far as the ST population is concerned their decline was only from 16.6 per cent to 13.67 per cent and that they continue to remain an agricultural community. However it is important to note that the percentage of main workers engaged in 'other services' among SCs have increased from 10.7 per cent in 1991 to 66.31 per

cent in 2001 and that of STs from 5.28 per cent to 42.65 per cent. Despite these structural changes a majority of the two groups continue to languish in low living conditions and multiple deprivations because of the lack of regular gainful employment and lack of productive assets and resources.

6.1.1.2 The poverty level of the scheduled communities continues to be depressing. The monthly per capita consumer expenditure for the year 2004-05 as revealed in the 61st round NSS shows that 46 per cent of the tribal houses (this is very much higher when we examine tribal agricultural labour households separately) and 15 per cent of the SC households in the rural areas spent only around Rs.450 per month or Rs.15 per day per capita. A more generalized deprivation index using 2001 census data based on deprivation in four basic necessities viz. drinking water, housing quality, good sanitation and electricity lighting shows that the incidence of deprivation for the state as a whole was 29.5, whereas for SC it ranges from 29.3 in Ernakulam district to 62.7 in the Kasargode district. In all districts except Ernakulam the index is above state average. As regards ST, the index ranges from 37.2 in Ernakulam to 66.0 in the Wyanad district and with Palakkad and Idukki closely following [Human Development Report, 2005]. It is evident that their development deprivation varies from place to place and disturbing higher.

6.1.1.3 Education has been universally accepted as a tool for upward social mobility and a potential force for expanding economic opportunities. Indeed in Kerala public expenditure on education, primary and secondary in particular has risen considerably in real terms over the past four decades resulting in the availability of at least one school in every 3 Sq.Kms and about 42 schools for a lakh population [Human Development Report, 2005]. Today there is almost full enrollment of children to school and a general literacy rate of 91 per cent, SC 73 per cent and ST 55.5 per cent. While this is true, several studies also point out the

growing gap in the achievements in the SSLC, graduate, post-graduate and most prominently in the professional education levels between the scheduled communities and others. The children of the poor, less educated parents with lowly occupations are only marginally represented in professional education. According to one study the drop outs in Arts and Science Colleges in Kerala at the post graduate level the drop out among SC/ST students is as high as 44 per cent (Science 50 per cent, Arts and Commerce 43 per cent), compared to only 12.5 per cent among non SC/ST students. Another study on wastage in engineering education in Kerala also show that 80 per cent of the incompletes belonged to SC/ST communities and only about half of such students actually manage to pass the course after repeated attempts [For more details See K.N Nair, P R G Nair ed (2008)]. This shows that other pro-active measures are required to ensure equal opportunity and justice to them. **Given these situations we would suggest the LGs to examine the possibilities of taking remedial measures at the local level for SC/ST students to improve the educational attainments of these categories.**

6.1.2 What we have mentioned above are mostly certain macro problems. We may supplement this with a micro level study of dalit (SC) families covering 11 gram panchayats and one municipality spread over three districts and 2392 families⁹ conducted by Socio-Economic Development Service (whose avowed goal is 'dalit empowerment through PRIs') with SDC-CapDeck support in 2005. Although the study highlights in greater depth several of the problems confronted by the scheduled communities the problematique of expanding the

⁹ The names of the GP/Municipality covered with the names of their corresponding districts are given below.

No.	Name of Districts	Name of GP/Municipality
1	Alappuzha	Chennithala, Thiruvandoor and Ala GPs
2	Kottayam	Madappally, Meenadom, Nattakam, Pampady and Vijayapuram GPs
3	Pathanamthitta	Puramattom, Nedumpuram, Iraviperoor GPs and Pathanamthitta Municipality.

social space of the poor is also underscored. The study shows that dalits have been helped by the PRIs, notably the gram panchayats and block panchayats in building houses, maintenance of houses, construction of wells, latrines and the like with very little help in improving skills, providing self-employment or regular wage employment. The conventional programme of livestock distribution does not seem to have made any substantial impact. Table 6.1 corroborates that most of the macro problems of scheduled communities continue to persist on the ground.

Table 6.1
Percentage of dalit families among total dalit families by study districts and by select problems

Items	Alappuzha	Pathanamthitta	Kottayam
Landless Families	14.68	7.72	9.72
Houseless	15.60	8.04	10.27
Houses needing Repair/ Construction	75.96	10.63	97.15
Lack of latrines	59.0	32.30	26.48
Lack of Wells	56.2	26.48	58.35

Source: Prepared from SEDS (2005), *Dalit Social Study Report 2005*(Mimeo) Malayalam.

6.1.2.1 Although in a few local governments under study (e.g. Pathanamthitta Municipality) the problem of housing is basically solved, in still others like the five GPs in the Kottayam district and three GPs in the Alappuzha district the problem of landlessness and housing is very acute. That nearly all dalit houses in Kottayam district understudy and about 76 per cent houses in Alappuzha district need renovation is a disquieting picture. This is to be seen along with the related problems of living conditions viz. lack of latrines and the lack of wells among an equally substantial number. In the Alappuzha panchayats under study 56 per cent and in Kottayam 58 per cent do not have access to drinking water may be seen along with the larger proportion denied decent shelter. These are in an ultimate sense cases of human rights violation. In the Thiruvandoor GP of Alappuzha district 45 per cent dalit houses do not have electricity

connectivity. The present government's project of providing homes to all through local bodies thus becomes relevant and significant. **If we examine the dalit problem of each panchayat understudy in absolute numbers and in money terms, one can reasonably maintain that given the right priority and planning the panchayats could have materially reduced the severity of the problem and the pains of marginalization of this group of people. The problem of expanding the social space of dalits through local governments in the state is a serious problem.**

6.2 The Fishing Community

6.2.1 That the fishing community of Kerala which contributes significantly to the nutritional security and economic growth of the state continue to languish is a paradox. They are a distinct social group with Christian, Muslim and Hindu faiths put together under OBC category. Their population is 11.14 lakh, which includes 8.6 lakh in the marine sector and the rest in the inland sector. Kerala with 600 km of coastal belt accounts for 20per cent of the fish-landing in India and contributes around 20 per cent of the GSDP from the primary sector. **The fishing community is spread over 222 villages in the marine sector and 113 villages in the inland sector where fishing and allied activities provide livelihood to the majority of the population. The local bodies, notably gram panchayats in these villages have a primary responsibility to improve the lives of this community.**

6.2.2 The development challenges relating to the community arises from their relative backwardness despite the economic potential they command. Infant mortality rate is abysmally high at 85 per 1000 as against the state average of 12. The literacy rate (2001) is 57 per cent almost comparable to the tribal literacy levels. The Female Male Ratio (FMR) is only 979 as against 1058 for the state as a whole and the only community in Kerala where it is less than 1000. Their

housing condition is pathetic in all respects. As they are compelled to live close to sea for livelihood reasons, overcrowding creates high density generating social tensions and unhygienic surroundings. It is estimated that 40,000 families continue to live in temporary structures. Fisher folk houses are prone to vagaries of rough seas and strong winds and 20 per cent houses are under threat of sea erosion every monsoon season. In fact 37 per cent houses do not have any land to claim even occupancy right. Sanitations and health care facilities are most wanting in the fisher folk settlements.

6.2.3 There is severe shortage of water supply in general and drinking water in particular in most of the fishing villages. The public wells available, on average 6 per fishing village, are inadequate for drinking purpose. Only 14 per cent of the fisheries villages are provided with adequate levels of safe drinking water. Alternatives such as rainwater harvesting, desalination of brackish water etc could be adopted on a large scale. In terms of welfare requirements the fisher folk settlements are grossly neglected. Public health facilities are poorly equipped to meet their needs. Incidence of communicable diseases, mainly water-borne diseases during monsoon, have been disturbingly high in all the fishing villages. Pulmonary diseases are also wide spread among them. Women working in the 'peeling sector' are affected by several occupation-related diseases, like arthritis due to extended working hours in cold environment, lesions in the hands, ovarian disorders etc. Proper medical care is not provided to them by their employers. Safety at sea is a serious issue in the marine fisheries sector especially during monsoon. **Thus the fishing community suffer from extreme marginalization in terms of low economic attainment, inadequate housing, health care and sanitation facilities, poor education levels and attainments and poor road and information connectivities.**

6.2.4 We supplement the macro picture about the fisher folk community outlined above with a situation analysis of the Karimkulam GP (one of the

sample GP chosen for study) in the Thiruvananthapuram district, which comprise nearly 5000 fisher folk families, besides another 10 per cent comprising SC families. There is a tendency for adult males and females to drop out, the former to help the elders in fishing and the latter to help mothers in fish-vending and/ or look after younger siblings. Nearly 16 per cent of the population are landless and another 32 per cent have only land holdings below 5 per cents. Several families herd together in a single house. The housing conditions of the fisher folk are worse than that of the scheduled castes. A major persistent problem is the lack of potable water. Fifty per cent households have no latrines and take to open defecation in beach sands causing considerable health hazards. **Surprisingly the Village Extension Officers had no idea about the number, social class composition and location of the sanitary conditions of the households in the panchayat. Regarding the type of latrines, except in the public comfort stations, the two-pit latrines are promoted. Given the loose soil of the coast this has unhygienic consequences, which according to the PHC doctor has caused widespread skin diseases in the area. During the rainy seasons diaorrhea, dysentery and viral fever are very common and in summer chickenpox. Tuberculosis, bronchitis, lungs cancer and other respiratory problems are widespread. The fisher folk spent huge sums on health as well as on liquor and run themselves into deep indebtedness.**

6.2.4.1 Given the situation analysis of Karimkulam GP outlined above some of which may be seen in the Development Reports also, in what way did the GP respond. **Put it succinctly, one can firmly say there was not purposive planning, prioritization and projectisation. Although over 75 per cent fisher folk lacked fishing equipments, very little was done to remedy the solution. Again while the problem of water scarcity was duly identified and addressed progress made to solve it has not been impressive due to poor project planning and implementation. For example, although 15 new wells to supply drinking water were constructed during 1997-2002, many were abandoned half way or**

are not functional. Another major drinking water supply project costing one million rupees included in the Annual Plan of 1999-2000 was not carried to its fruition. Still another case is the Chekkitta Kulappura drinking water project started in 2001-02 at a cost of Rs.3.46 lakhs. Although it was commissioned, presently the project is not functioning because the water tank was damaged due to lack of maintenance and presumably because of poor construction. **While such costly projects are taken it is somewhat surprising that no rain water projects were launched in the schools, the panchayat buildings or other public houses.**

6.2.4.2 We may also make a couple of general observations based on the case studies of three other important projects of the Karimkulam projects. A Women Cooperative Project for making curry powder started in 2000, invested over Rs.1.26 lakh in machinery and started working. But it could not be run on profit and now could give employment only to three persons and that too on a measly wage of Rs.15 per day. Another ready-made garments-making project (included in the Annual Plan of 1998-99) started with Rs.4.59 lakh outlay, for all practical purpose turned out to be a sewing machines distribution programme (this project incidentally was conceived and implemented after a massive sewing machine distribution programme costing nearly Rs.7 lakhs was implemented in 1997-98. The project for setting up a cooperative society was actually done to circumvent a government order prohibiting distribution of sewing machines to individual beneficiaries. The third case of a building construction project for Anganwadies was successfully completed and made operational largely because there was World Bank contribution and supervision. **The moral of these stories is that careful project planning, design and honest implementation is the key to planned development through local governments.**

6.3 The SCP/TSP towards Greater decentralization

6.3.1 The special component plan (SCP) and the tribal sub plan (TSP) are the two major programmes that seek to address the problems of the scheduled communities. The SCP/TSP has a history that goes as far back as the Fifth Five year Plan which sought to rectify the earlier plan approach to treating SC/ST welfare as part of general welfare. A separate component from every general department was earmarked for them to make the effort comprehensive. In 1979 the plan outlay under SCP/TSP was fixed as a percentage of the state plan in proportion to the SC/ST population. Soon it was found that this order of allocation was not forthcoming. It was therefore decided to decentralize SCP/TSP to the district level from 1983-84 onwards. The chief defect of this approach was that plan formulation remained highly departmentalized. In reality there was very little integration and lacked transparency. Real change came only after the launching of the PPC. In 1997-98 Annual Plan, a decisive step was taken towards democratic decentralization of SCP/TSP by handing them over to the local bodies. **Because the life and culture of scheduled tribes are different from that of SCs, a different approach to planning is needed and that can be best ensured through the local bodies and consulting the Oorukoottum of the tribals.**

6.3.2 More than a decade has passed since the SCP/TSP have been handed over to the local bodies. What impact and change they produced is a critical question? Table 6.2 gives the distribution of plan expenditures by General, SCP and TSP during 2005-06 through 2007-08. In 2005-06 the rate of utilization of SCP was only 57.7 per cent and that of TSP was 66.5 per cent. This improved considerably in 2006-07 to reach 80 per cent for SCP but declined to 73.7 per cent the next year. TSP also which reached 80 per cent in 2006-07 declined marginally to 78 per cent in 2007-08. This decline in 2007-08 was true for all local bodies except the Corporation. The magnitude of decline is very high for GPs as well as for the

DPs. It is important to note that GPs account for more than 50 per cent of the total plan allocation for SCP and TSP and their spending is critical. **It is very significant that in 2006-07, 32.17 per cent and in 2007-08 over 35 per cent of the budget allocations were made for SCP and 4.58 per cent and 5.32 per cent for TSP during the same period. These are very much above the population proportion of 10 per cent of the scheduled caste and 1.14 per cent population of the tribals. This is also much higher than what was happening in 2005-06 when SCP plan expenditure was 19.6 per cent and TSP 3.4 per cent. It is not inadequacy of funds, but proper utilization that matters.**

Table 6.2
Distribution of Plan Expenditure by General, SCP, TSP 2005-06 – 2007-08

	General									SCP								
	2005-06			2006-07			2007-08			2005-06			2006-07			2007-08		
	Effective budget@	Expenditure	% Expt	Effective budget@	Expenditure	% Expt	Effective budget	Expenditure	% Expt	Effective budget	Expenditure	% expt	Effective budget	Expenditure	% expt	Effective budget	Expenditure	% Expt
Types DP	12316.05	6752.57	54.83	10395.20	9381.46	90.25	12144.36	9780.89	80.54	5916.77	3006.5	50.81	8208.13	7013.01	85.44	10495.53	7860.26	74.89
LGs % to Total	8.99	6.88	-	7.51	7.73	-	7.09	7.10	-	4.32	3.06	-	5.93	5.78	-	6.13	5.71	-
B P	12266.1	8307.17	67.72	11020.2	10273.8	93.23	12533.04	10850.84	86.58	5916.77	3764.62	63.63	7513.24	6555.82	87.26	9639.29	8006.82	83.06
% to Total	8.95	8.47	-	7.96	8.46	-	7.32	7.88	-	4.32	3.84	-	5.43	5.40	-	5.63	5.81	-
G P	57239.9	46437.05	81.13	51610.5	47528.35	92.09	59584.59	50003.79	83.92	17750.33	10729.1	60.44	23293.88	18710.75	80.32	31740.5	22832.18	71.93
% to Total	41.76	47.34	-	37.29	39.16	-	34.78	36.30	-	12.95	10.94	-	16.83	15.42	-	18.53	16.58	-
Corp	7453.98	5000.71	67.09	6527.20	6016.56	92.18	7885.48	7186.34	91.13	1783.29	585.95	32.86	2429.04	1149.5	47.32	4255.61	2759.91	64.85
% to Total	5.44	5.10	-	4.72	4.96	-	4.60	5.22	-	1.30	0.60	-	1.76	0.95	-	2.48	2.00	-
Muni	9325.03	8968.3	96.17	7977.33	7558.08	94.74	10056.39	8594.2	85.46	2079.84	1203.42	57.86	3077.2	2096.38	68.13	3864.34	2757.42	71.36
% to Total	6.80	9.14	-	5.76	6.23	-	5.87	6.24	-	1.52	1.23	-	2.22	1.73	-	2.26	2.00	-
Total	98601.00	75465.80	76.54	87530.40	80758.25	92.26	102203.86	86416.06	84.55	33447.00	19289.54	57.67	44521.49	35525.46	79.79	59995.27	44216.59	73.70
% to Total	71.94	76.93	-	63.25	66.54	-	59.66	62.73	-	24.40	19.66	-	32.17	29.27	-	35.02	32.10	-

	TSP									Total								
	2005-06			2006-07			2007-08			2005-06			2006-07			2007-08		
	Effective budget	Expenditure	% Expt	Effective budget	Expenditure	% Expt	Effective budget	Expenditure	% Expt	Effective budget	Expenditure	% Expt	Effective budget	Expenditure	% Expt	Effective budget	Expenditure	% Expt
Types of LGs	1487.97	968.39	65.08	1906.9	1422.35	74.59	2721.59	2125.31	78.09	19720.79	10727.46	54.40	20510.21	17816.82	86.87	25361.48	19766.46	77.94
% to Total	1.09	0.99	-	1.38	1.17	-	1.59	1.54	-	14.39	10.94	-	14.82	14.68	-	14.80	14.35	-
B P	991.98	624.80	62.99	1196.7	1066.40	89.12	1708.64	1447.01	84.69	19174.80	12696.59	66.21	19730.04	17896.02	90.70	23880.97	20304.67	85.02
% to Total	0.72	0.64	-	0.86	0.88	-	1.00	1.05	-	13.99	12.94	-	14.26	14.74	-	13.94	14.74	-
G P	2479.96	1725.67	69.58	3164.4	2561.67	80.95	4519.00	3437.4	76.07	77470.18	58891.77	76.02	78068.8	68800.77	88.13	95844.09	76273.37	79.58
% to Total	1.81	1.76	-	2.29	2.11	-	2.64	2.50	-	56.52	60.04	-	56.41	56.69	-	55.95	55.37	-
Corp	0	0	0.00	0	0	0.00	0	0	0.00	9237.27	5586.66	60.48	8956.24	7166.06	80.01	12141.09	9946.25	81.92
% to Total	0.00	0.00	-	0.00	0.00	-	0.00	0.00	-	6.74	5.70	-	6.47	5.90	-	7.09	7.22	-
Muni	57.09	19.56	34.26	75.17	35.98	47.86	168.36	107.02	63.57	11461.96	10191.28	88.91	11129.7	9690.44	87.07	14089.09	11458.64	81.33
% to Total	0.04	0.02	-	0.05	0.03	-	0.10	0.08	-	8.36	10.39	-	8.04	7.98	-	8.22	8.32	-
Total	5017.00	3338.42	66.54	6343.10	5086.40	80.19	9117.59	7116.74	78.06	137065.00	98093.76	71.57	138394.99	121370.11	87.70	171316.72	137749.39	80.41
% to Total	3.66	3.40	-	4.58	4.19	-	5.32	5.17	-	100.00	100.00	-	100.00	100.00	-	100.00	100.00	-

6.3.2.1 The *Economic Review (2007)* of the State Planning Board contains a long list of the physical achievements under the SCP and TSP for five years from 2002-03 through 2006-07. They are given under 52 items common for all the local governments and for the two types of programmes. Surely the diversity one would expect from local specificities is missing. The numbers given are “estimated from the Annual expenditure statements of local governments”. It is fairly well known that a financial expenditure does not ensure corresponding physical achievements. The number of beneficiaries of vegetable cultivation ranges from 1268 in 2006-07 to 18130 in 2005-06 under SCP and under TSP from just one in 2006-07 to 1295 in 2003-04. (One cannot vouch for the veracity of these figures which are estimated). Given the landlessness and land scarcity of the population, distribution of pump sets, sprayers etc and even watershed projects cannot be of critical importance. The data show an excessive dominance of welfare schemes. Most of the programmes are conventional and stereotypical. Road constructions galore. Construction and renovation of houses occupy a prominent place, along with provision of sanitary facilities. The number of self-employed units started under SCP ranges from 6 in 2002-03 to 826 in 2003-04 with considerable fluctuations subsequently and almost negligible under TSP except for one year. Probably the most modern item is the computer training programme with the number of persons trained under SCP increasing exponentially from 2076 in 2002-03 to 21768 in 2006-07. For the tribals it is confined only to a couple of years. The moot question is whether those trained could compete with the large number of other computer outfits in the market. Increase in funding without innovative projects for building capabilities, the way out seems difficult.

6.3.2.2 We may supplement the above observations with the data on SCP/TSP collected from the Koothattukulam GP. During the period 1997-98 through 2006-07, a total of 163 projects were started under the SCP/TSP programme in the GP.

There were only 265 SC household and 28 tribal families in the panchayat. These families have a fairly improved living and economic conditions. The SCP/TSP expenditure had visible impact. A sum of Rs.9.94 lakhs was spent on 31 items such as housing renovation, construction of latrines, link roads and the like during the decade 1997-98 – 2006-07. Individual beneficiary-oriented programmes to the tune of Rs.32.82 lakhs were spent. Interestingly only 6 projects were started for self-employment and wage employment and 28 for asset creation. The base effect of an already improved situation worked towards better improvement. There was visible reduction in poverty.

6.4 Some Recommendations

- **The problems of the marginalized communities are well known and quite often assume rhetorical overtones. But the reality still remains routine. It is more a question of efficient planning than money allocation. In those places where the vicious cycle of poverty has been broken, the impact of spending has been more pronounced and visible than elsewhere.**
- **The SCP/TSP should be made a lively part of decentralized planning. More innovative projects have to designed. Technical experts should prepare projects that are viable and help to empower the marginalized. This is equally true of the fishing community as well.**
- **The problem of land redistribution should be assessed on a war footing by every local body. The waste land in every locality must be identified. The issue of land and livelihood of all the three marginal communities should be periodically monitored. The matter should engage the attention of the next State Development Council which should be convened at least once in every six months where the reporting of the progress of the programmes for the 'outliers' should be a permanent item.**

- **The vicious cycle of poverty and backwardness has to be broken. Isolated settlements, lack of viable projects, non-cooperation from departments, lack of enthusiasm or indifference of elected members (SC, ST, fisher folk) etc are some of the reasons for the perpetuation of their backwardness. The officials, members and president should do field visits to the settlements of the marginalized. High SC officials should be encouraged to participate in these visits on the basis of which good project should emerge.**
- **Elected representatives and officials should attend the meetings of Oorukoottums. The suggestions from Oorukoottums should not be ignored.**
- **All welfare schemes including tribal welfare schemes should be handed over to GPs.**
- **Plan guidelines may direct panchayats to allocate funds for public works from the general funds.**
- **The WCP of coastal fishing should address the problem of the very low FMR (979 per 1000) of the fisher folk through appropriate strategic initiatives.**
- **Rain water harvesting should be compulsorily insisted upon in all the GPs facing drinking water scarcity.**

Reference

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Chapter 7

Women Empowerment

7.0 This chapter is meant to examine the role of local governments in empowering women which is an important plank of democratic decentralisation in India. Broadly, empowerment refers to the expansion of the capability and freedom to choose and act to shape one's life as well as that of the community to which she belongs. Given this broad definition we try to evaluate women empowerment with reference to the institution of local governments and decentralized governance in Kerala. The capability and freedom of women especially the most disadvantaged and poor among them to participate, negotiate, bargain and influence the decisions of the institution is important in any effort to evaluate women's empowerment. By reserving one-third seats to women and reserving one-third chairpersonships to women, an important necessary condition has been laid down. For empowerment to be effective a lot more sufficient conditions have to be fulfilled. Kerala is one state that has launched several initiatives as part of its People's Plan Campaign (PPC) towards gender mainstreaming through ensuring better participation of women in the various stages of decentralized planning, insisting on a minimum of 10 per cent of plan funds to Women Component Plan (WCP), a gender impact statement in project assessment and so on. Each local government is expected to prepare a women's status report.

7.1 Findings of the Micro Studies

We may first examine the findings of the micro studies under two heads: Participation and Women Component Plan.

7.1.1 Participation:

Although decentralization in Kerala has opened up multiple avenues of peoples participation, gram sabha meetings, Development Seminars, Working

Groups/Technical Advisory Groups are the most crucial to be mentioned. In all the panchayats and urban local bodies studied, by and large the gram sabha/ward sabha meetings had a large presence of women especially those belonging to the backward communities. For e.g. in 2005-06 out of a total number of 15470 citizens who participated in the various ward sabha meetings, in the Thiruvananthapuram Corporation, 67 per cent were women with 64 per cent of them being SC/ST categories. More or less the same pattern continued, but with larger participation of the latter categories (in one year 85 per cent were SC/ST categories). The Corporation held ward conventions create awareness on the various developmental issues. The most important exception to the general pattern of higher proportion of women presence is the Karimkulam Gram Panchayat in the tenth five year plan period where it was only less than 37 per cent. Ayyankunnu was another gram panchayat where women participation declined.

7.1.1.2 The participation of women in development seminar and working groups shows a mixed picture. Continuous and consistent involvement of women in these bodies was seen missing. While women participation in development seminars was reportedly strong in some gram panchayats and in most urban local bodies studied the representation in the working groups that should translate demands and resolutions into action performed poorly in all the local governments. The share of women participants which was low in the Kalamassery Municipality in 1997-98, progressively increased to more than 60 per cent, largely thanks to the Kudumbashree units in the municipality. But in the Koothattukulam gram panchayat during the eleven years from 1996-97 through 2006-07, only in four years, women participation was above 33 per cent. In the Karimkulam panchayat 11 working groups were functioning and women representation was less than 50 per cent in all of them. **It is definitely disturbing that in the working group on women, eight out of nine members in**

the GP were men. In the Thiruvananthapuram Corporation also men dominated all working groups including the one for women. Under such a situation the role of women is but marginal and ineffective. Participation is to be understood as equal participation of women and men in the decision-making process, in policy-making, planning, implementation and so on.

7.1.2 The Women Component Plan

7.1.2.1 The Women Component Plan (WCP) is generally considered as the flagship programme of decentralized planning as far as gender main-streaming is concerned. The main strategy is to earmark 10 per cent of the plan outlay exclusively for women-specific projects. In the cost-benefit assessment of projects, gender impact statement was made mandatory. At least in the early days of PPC, an important step taken was the constitution of a gender impact monitoring committee. In this section we try to evaluate the WCP based on the sponsored studies as well as on the consolidated findings of 3 gram panchayats (Pilicode - Kasargode district, Tanur - Malappuram district and Sooranadu - Kollam district), one block panchayat (Bharanikkavu - Alappuzha district) and Thrissur District panchayat, covering the period from 1996 through 2005. This is followed by some general observations.

7.1.2.2 We may start with a macro picture of the sectoral allocation of the women component programme for 2006-07 latest year for which data were available [See Table 7.1]. If we compare the picture given in 2006-07 with that of 1997-98, [For details see Table 11.5 of Isaac and Franke (2000)] we find some significant changes in the broad allocation pattern. Service sector accounts for 64 per cent of the total allocation in 2006-07 as against nearly 35 per cent in 1997-98. In 1997-98 more than 60 per cent were for productive sector projects as against only 32 per cent in 2006-07. There is thus a pronounced shift in the pattern of projects and

programmes over the years. [See Table 6.2 and discussion under section 6.3 for more evidence].

The total number of projects designed has increased from 4395 in 1997-98 to 6179 in 2007-08 (with only 4664 being actually implemented). The effectiveness of these depends on the quality in the design and implementation of the projects.

Table 7.1
Sector-wise Plan Grant and Expenditure in Women Component
Programme of LSGIs during 2006-07

Sector	Formulation	Plan Fund (Rs.lakhs)	% Sectoral Allocation	No. of Projects	Plan Fund (Rs.lakhs)	% Sectoral Allocation
Production	2607	4005.45	36.0	1851	2500.04	32.00
Services	3458	6679.79	60.00	2727	5039.38	64.00
Infrastructure	51	61.30	0.5.00	24	27.51	0.3.00
Others	63	330.93	3.5.00	62	329.63	3.7.00
Total	6179	11077.47	100.00	4664	7896.56	100.00

7.1.2.4 Appendix 7A, reports whether the stipulated 10 per cent has been followed in the Thiruvananthapuram Corporation, Athiyanoor Block Panchayat and the Karimkulam Gram Panchayat over the tenth plan period. Appendices 7B, 7C and 7D report the broad pattern of spending abstracted from detailed annual women component plan spread over 2002-03 through 2006-07. It is clear from Appendix 7A that except in the Athiyanoor Block Panchayat (here too there are years that did not reach the 10% target) the 10 per cent target was not achieved. In the Gram Panchayat for two years it was as low as 0.43 per cent. (Not reported in the Tables). **The pattern of the programmes and projects given in Appendices 7B, 7C and 7D shows that the WCP was not properly designed and the projects did not address the strategic needs of women. Although WCP offers scope for spending on reproductive health of women, many panchayat leaders were unclear about WCP and its role. Many projects were of a short-term nature with poor impact (e.g. distribution of ice blocks, money etc to**

fisher women, aid for treatments and the like). A couple of industrial estates started in the name of women naturally did not take off. In several cases we have come across, up to 30-40 per cent WCP expenditures have gone to support the anganwadis—supplementary feeding, honorarium for workers, construction of anganwadis buildings and so on. Allocation of funds for female-headed households to buy land, house repair/construction and income generation programmes account for another large chunk of the WCP in the study areas and elsewhere. Although WCP has spent money on training, they were mostly for making soaps, umbrellas, mushroom farming, tailoring, mostly stereotypical cases. Despite all these, there are several note worthy exceptions, some of them utilizing the expertise of NGOs and academic institutions. For example the Thrissur District Panchayat offered training to women in heavy vehicle driving, masonry, servicing of household appliances, vermi-composting, besides helping in the formation of women's cooperatives in specialized areas such as transport. The District Panchayat also attempted other non-conventional programmes like observance of human rights day, setting up of women resource centre, skill-training for deaf and dumb children and the like.

7.1.2.5 WCP in the local governments studied were not based on any gender status report of the local bodies concerned. We have come across only very few local governments that devoted time and resources to prepare gender status reports although the idea was very much there from the days of the PPC. But this does not mean that women projects were entirely devoid of data and analysis. Invariably all the Panchayat Development Reports carry a chapter on women. Problems like unemployment among women, wage disparity, invisibility of women, dowry-related issues, problems of alcoholism and the like do figure. But most of them (at least those randomly checked) do not carry gender analysis at all. This is needed for gender-based planning which involves a critical review and analysis of the gap between women's access to economic,

social and cultural resources. Without this rectification of imbalances would be impossible. The guidelines do not seem to lay stress on this, leave alone the question of such tools like preparing gender-responsive budgets.

7.2 The Jaagratha Samithi (JS)

7.2.1 This brief section is introduced because of the potential of the Jaagratha Samithi or Vigilance Committee towards meaningful gender mainstreaming. Built on the basic principles of gender equity and gender justice, the Jaagratha Samithi (JS) is an initiative of the State Women's Commission at the panchayat ward level upwards to the district level to protect the rights of women and children. The SDC-CapDeck (Capacity Development for Decentralisation in Kerala) has played a vital role in catalyzing the process. Although the idea was mooted as far back as 1997, it was the Government Order (GO) issued on May 28, 2004 that approved the State Women's Commission's proposal "*for strengthening the Jaagratha Samithi and for mainstreaming gender in the decentralization process in Kerala, leading to qualitative strengthening of status of women in society under the programme for capacity building for decentralization*". This major project was expected to be implemented by the panchayats. As per the latest Government Order, a JS is to have:

- ◆ President of Panchayat (Chairperson)
- ◆ Circle Inspector/Sub Inspector of Police
- ◆ One Woman Panchayat elected member
- ◆ One Lady Lawyer nominated by the Panchayat
- ◆ One Lady Social Worker from the SC/ST community
- ◆ ICDS Supervisor (Convenor)

While this set up is at the panchayat level, as an extension it is expected to create vigilance committees at each ward level to prevent violence and atrocities against women. JS was started as a pilot project in six panchayats. The

Panancherry Panchayat in the Thrissur district played a lead role with the help of SEWA, a leading women NGO. In the light of the experience gained in these panchayats draft manuals were prepared. The Women's Commission subsequently extended the programme to all the local bodies.

7.2.1.2 Jaagratha Samithis were constituted in two Corporations and 832 Gram Panchayats due to the initiatives and cooperation of the state women's commission, social welfare department and KILA. Setting up vigilance cells does not mean anything unless they are active and command the respect of the local public. Reportedly only 78 Samithis are active. It does not speak highly of this initiative that the Women's Commission actually recognize only 35 Jaagratha Samithis out of this. This indeed is a poor record. Wherever the Jaagratha Samithi worked well, the impact has been perceptible. That the Panancherry Gram Panchayat could settle over 500 cases in a span of little over three years is a good record and convincingly demonstrates that given proper training and guidance significant progress could be achieved.

7.3 Kudumbashree

7.3.1 The Kudumbashree now functioning as a sub-system of local governments must be refashioned to function as a viable women empowerment programme. Started in mid-1998, the Kudumbashree (KDS for short) is the largest network of women's organization (37 lakh members) in the state for poverty eradication, self employment and micro financial services. It has a three-tier set up – neighbourhood, ward and LG levels respectively called NHGs (Neighbourhood Groups), ADS (Area Development Society) that federates the NHGs and CDS (Community Development Society) at the LG level that federates ADSs. We briefly refer to it in our Report as this outfit has performed well as an integral associate of the local government system for nearly a decade with remarkable resilience. It has gone much beyond its immediate micro finance mandate

towards empowering women, both poor and non-poor and made some progress in gender mainstreaming.

7.3.2 While we acknowledge the creative role the Kudumbashree has played in the decentralized governing process in this state we may spell out certain shortcomings that need correction to enable the institution to function as a stable and well-performing agency that works hand in hand with local governments. First, the Kudumbashree is no longer an organization of the poor as it was originally meant to be. There is a clear mixture of the poor and the non-poor, the latter enjoying the commanding heights¹⁰. The so-called nine-point criteria used to identify the poor women families are no longer operationally valid. Second, there is need to evolve a poverty line measurement that will take note of the emerging ground realities of Kerala. The Planning Commission's measure of poverty based on calorific norms is at best only a macro measure and is operationally irrelevant for identifying the poor from the non-poor by the local governments. **Third, in view of the clear mixing up of APL (Above Poverty Line) and BPL (Below Poverty Line), the Kudumbashree may do well to consider the question of introducing a sort of auxiliary membership to those who consider themselves as APL (or they could be identified on the basis of clear-cut norms). It is important to note that poverty is a multi-dimensional deprivation and the Kudumbashree has to continue to play a crucial role in the future.** Fourth, the micro enterprise programme of KDS be strengthened along with a definite agenda to escort the non-poor into better fields. Fifth, members borrow from multiple agencies with KDS being only one among many and land themselves in debt. This is a dangerous trend. Sixth, the multiplication of micro finance agencies poses a great threat to the KDS. Several self-help groups sponsored by a wider range of sponsors such as Churches, SNDP, NGOs, political parties and so on throw up a big challenge. The answer lies in

¹⁰ For a detailed evaluation of the project see Oommen (2007).

strengthening the KDS organization, making it more transparent and efficient. Seventh, overloading the NHGs can break the back of the women and the organization itself. The CDSs should not function as a handmaid of the panchayat or even of the KDS bureaucracy. In short, now that KDS has traveled a long way during the last decade, its goals and roles should be redefined vis-à-vis that of decentralized governance.

7.4 Women Empowerment and Local Governance: Some Issues and Recommendations:

7.4.1 An important general aspect that comes out most prominently is the absence of gram panchayat-wise gender status study. This is a prerequisite for any gender-based planning. There was very little evaluation of the needs of women, existing skills, resources, availability of markets (for those who venture to start micro enterprises and so on. Measures have to be taken to rectify these defects.

7.4.2 When you treat a woman as a beneficiary, disburse grant or loan often inadequate for the purpose on a project identified by someone else with no enquiry into its feasibility, micro enterprises are bound to fail. Where micro enterprises are taken up with preparation, they have by and large succeeded.

7.4.3 One of the reasons for the general failure of the WCP, was the individual beneficiary approach it pursued. We have come across studies treating a project 'successful' in cases where a woman earning Rs. 50 from an ethnic food-making unit and another earning Rs.30/- from a printing press. We may quote here from a Report prepared by **Sakhi Resource Centre: "Clear perspective on what constitutes women's development is lacking and hence the whole approach to WCP was opportunistic and adhoc. The elected women representatives also could not play a watch dog role as they too were new to planning and lacked gender awareness"** [Sakhi Resource Centre for Women (undated) p.33 Mimeo].

7.4.4 Some recommendations of a general nature are given below.

1. The question of women's empowerment cannot be enhanced merely by one third reservation or what we may call their larger numerical presence alone. It is conditioned, by how these institutions define their autonomy and how women's capabilities are supported. The developmental and political vision of the political parties are also crucial here.
2. A Department of Women Empowerment and Gender Justice with a Senior Woman IAS officer in charge may be newly created at the State Government level. It should be an additional portfolio under the Minister for Local Self Government. The Department may be assisted by an Advisory Gender Resource Committee at the State level in which there is adequate representation for women representatives. *Interalia* the Department will coordinate all gender empowerment activities at the local government and state government level and monitor activities such as Vigilance Committee, Kudumbashree, WCP, Gender Budgeting and Gender Auditing.
3. Gender training should be given to all government employees, people's representatives, social workers and resource persons. Elected women representatives may be given skill development training at the outset itself to enable them to carry out their duties effectively [See Chapter 12].
4. Any meeting, discussion, seminar, gram sabha/ward sabha meetings should be conducted taking into account the convenience of women.
5. The plan guidelines may do well to highlight the concept and content of WCP.
6. It is better to make JS a statutory body and to have a monitoring cell comprising representatives of home department, social welfare, local self-government at the local level.

7. Women status study should be made mandatory prior to every five year plan and gender-responsive planning and budget to be introduced as far as possible. This status Report shall include five year action plan, which shall be reflected in the annual plans of the local governments.

Appendix 7A

Expenditure for Women's Projects during the 10th Plan (Rs.in Lakhs)

No.	Item	Trivandrum Corporation	Athiyanoor Block Panchayat	Karimkulam Gram Panchayat
1.	Total Expenditure on Women Projects	337.46	59.40	19.48
2.	Total Plan Expenditure	8285.35	478.64	234.62
3.	% Expenditure of Women's Projects to total Expenditure	4.07	12.41	8.30

Appendix 7B

Women Projects undertaken during the 10th Plan (Thiruvananthapuram Corporation) 2002-03 to 2006-07

No	Amount Spent during the 10 th Plan	Rs.in Lakhs
1	Additional Wage to Anganwadi Workers	22.65
2	Women's Hostel	47.00
3	Working Capital for Women SHGs	20.00
4	Women Toilet	12.96
5	Self Employment Women Units	42.61
6	Houses for landless, houseless Women	100.60
7	Chips Production Unit	31.72
8	Treatment Aid	10.00
9	Other services	49.92
Total		337.46

Appendix 7C
Women's Projects undertaken by Athiyanoor Block Panchayat
During 10th Plan

No.	Amount Spent during the 10 th Plan	Rs.in Lakhs
1	Dairy Farming	2.87
2	Revolving Fund for SHGs	22.50
3	Net making unit	5.41
4	Micro Enterprises	4.29
5	Goat Farming	14.71
6	Fish Processing	1.96
7	Other activities	7.66
Total		59.40

Appendix 7D
Women's Projects undertaken by Karimkulam Gram Panchayat
During 10th Plan

No.	Amount Spent during the 10 th Plan	Rs.in Lakhs
1	Wages to Anganwadi Workers	1.56
2	Seri-Culture	1.68
3	Maintenance of house	14.00
4	Horticulture	0.95
5	Dairy Farming	1.10
6	Others	0.20
Total		19.49

Reference

Oommen M A (2007): *The Kudumbashree of Kerala: An Appraisal*, Kudumbashree Office, Thiruvananthapuram.

Chapter 8

Delivery of Services and Local Governance

8.0 When the municipal corporations in the cities, the Municipalities in the towns and gram panchayats in the rural and semi-urban areas within the state were empowered in 1994 to function as Local Self Governments, naturally it raised people's hopes for better civic services and welfare measures. Every day the gram panchayats and municipalities are approached by people for a variety of services and the efficiency of local governments are greatly judged by the efficiency with which they can deliver services to the people. Perhaps the effectiveness of decentralisation and empowerment of LGs would largely depend on their capability to deliver services to the people in time, at the standard quality and with prudence and in a people- friendly manner. The tormenting ordeal which many people experience at the door steps of these 'democratic institutions' have to change and change significantly. It is in this context that we consider 'delivery of services' by gram panchayats and municipal governments as a key parameter to measure the success of decentralization. The discussions and recommendations in this chapter need to be considered in this perspective.

Local Government services with interaction with people

8.1.1 A local self-government has a wide range of services to perform. They range from statutory permissions/approvals, to maintaining sanitation and cleanliness to social welfare-oriented actions. It is observed that though the rich and influential who seek such services can manage to obtain them by moving the municipal or gram panchayat machinery in their favour, it is often the poor or non-influential public who are made to go through the ordeal of red tape, lack of transparency, lack of clarity in interpretation of rules and procedures, absence of defined processes for handling issues or absence of individual responsibilities in

the Municipal/ Panchayat functionaries. As a result of this, one can see large crowds hanging around the corridors of gram panchayat/municipal offices without correct information on what, where, how, when and so on! The scheme of setting up 'Janasevanakendra' counters in the Municipal offices a few years ago at the directions of the State Government is indeed a great relief in the delivery of services by the ULBs. However, much remains to be done especially at the panchayat level.

8.1.2 The services delivered by the municipalities and gram panchayats can be broadly grouped under 4 categories:

- (1) Statutory permissions/ licenses/ registrations;
- (2) Welfare measures – social security assistances and
- (3) Statutory municipal functions at settlement level
- (4) Development services

As regards development services like Krishi Bhavan, Veterinary services etc clear management manuals have been prepared by Working Groups after due consultation with not only experts, but also with people's representatives. We recommended that these manuals should be made operational in everyday use. Therefore we are not addressing the issues of service delivery with reference to these items. More such manuals should be prepared and made operational.

8.1.2.1 **Statutory permissions/ licenses/ registrations** include the following:

- Permission for land development / building construction
- Approval of ownership changes in landed properties
- Grant of license to operate commercial establishments
- Birth and death registration and issue of certificates
- Registration of marriages and issue of certificates etc.

8.1.2.2 The **welfare oriented schemes** provided by the municipalities and gram panchayats include:

- Payment of various pensions and monetary assistances to the poor
- Preparation of BPL list and identification of beneficiaries for the various schemes for poor, disabled, destitute etc.

8.1.2.3 Settlement level Services relate to:

- Maintenance of roads and drains;
- Providing and maintaining street lights;
- Solid waste management and sewage disposal;
- Maintenance of health and sanitation;
- Maintenance and up-keep of public assets like parks, play grounds, open spaces and water bodies, public markets and other Municipal/ Panchayat properties etc.
- Ensuring potable water to the people;

8.1.2.4 Though ensuring potable water is a settlement level service, availability of potable water is directly related to health and well-being and the local governments are at the receiving end of complaints whenever there is scarcity of water or when there is an outbreak of epidemics. Indeed it is the responsibility of local governments to ensure access to safe drinking water – whether from natural ponds and rivers or from underground sources or through piped water supply system. Though the 11th and 12th Schedules of 73rd and 74th Constitutional Amendments include water supply as one of the transferable responsibilities to the Panchayats and Municipalities, in Kerala the responsibility for piped water supply and sewerage was with the Kerala Water Authority (KWA). Subsequent to Kerala Municipality Act and Kerala Panchayat Raj Act, 1994, the KWA Act was amended permitting any local government to take over from KWA an existing water supply scheme or to establish a new stand alone water supply

project. Though no LG has taken over any existing scheme from KWA, many Gram Panchayats have implemented panchayat level water supply schemes. However, quite often there are several occasions such as the following when people look up to LGs for help.

- (i) During general water scarcity especially during summer months;
- (ii) To arrange for water in water scarce areas; and
- (iii) To address additional water requirement in certain areas during special occasions like festivals. Though these three are special occasions for which local governments are required to gear up actions, it is necessary for every Gram Panchayat and Municipality to prepare a **Water Supply Status Report to include the following:**

- (i) Nature of water supply schemes in the settlement, their coverage, quality and consumption rate;
- (ii) The existing natural water bodies, ground water resources and the need for conservation and development;
- (iii) Identify water scarce areas and LG's role in mitigation measures;
- (iv) Rain Water Harvesting (RWH); and
- (v) Settlement level water demand, water supply improvement measures and organizational responsibilities.

8.1.2.5 Based on the status Report every panchayat and municipality should take up precautionary measures. Rain-water harvesting facilities should be provided in all the colonies and coastal panchayats by the respective local governments

8.1.2.6 The third group of services (8.1.2.3) mostly relate to the settlement level functions of the municipality or gram panchayat. When individuals approach the Local Government for any improvement in service level of such services it is not to be seen as individual or household specific. It is to be seen as attending to

deficiency in that settlement level service. But in the first two groups of services, the Municipality/ Gram Panchayat provides individual-oriented or household-oriented service. It is here that we notice that fall in level of service directly relates to corrupt practices in the organization, fall in efficiency of local government machinery and/or general dissatisfaction of the people. In view of this, we discuss here the first two groups of Panchayat/Municipal services and try to recommend actions for improving the service levels.

8.2 Service Delivery: A broad assessment

8.2.1 As we have already noted all sections of people seek Municipal or Gram Panchayat services for obtaining permissions and licenses for a variety of purposes. Almost everyone seeks birth and death registration certificates and marriage certificates. Such registrations and certificates were sought for only by a few in the past, but of late almost everyone seeks them because of the legal validity of these certificates. Therefore Government have issued directions to streamline the process of registration and issue of certificates. **This process is partly systematized. A few local governments like Thiruvananthapuram Municipal Corporation have set up hospital kiosks to register births and deaths and to issue certificates. The kiosks in select hospitals are linked to the Municipal office records. Though this is only at a limited level, this procedure has eased the process and has helped to reduce the ordeal of running up and down the Municipal corridors. This has been made possible due to the use of computers and systematizing the procedures and brings to focus the need for simplification of the process of delivery of services and bringing in transparency in the system.**

8.2.2 However such systematization of procedures and computerized processing has not been adopted in services like issue of permissions for land development and building construction. Subjective scrutiny of applications, manual handling

of documents related to grant of permissions and unwieldy registers, delay the process of grant of permits. Another reason often mentioned relates to inadequate staff strength and lack of expertise in understanding and interpreting rules related to this. The Building Rules have now been extended to the panchayat areas also. The settlement pattern in Kerala is such that substantial land development and construction works happen in most of the Panchayat areas (barring certain Panchayats areas in the highland). Unregulated land development and construction activities may cause depletion of land resources and may bring haphazard developments which may adversely affect the interests of the larger community. Because of such adverse effects, it is desirable to regulate the activities based on rules. But a regime of regulations and permissions may require preparedness on the part of Gram Panchayats to address the issues.

8.2.3 The Gram Panchayats have only inadequate engineering staff. The capability of GPs to understand and interpret the rules is also limited. This situation warrants systematisation of procedures and use of modern tools for scrutiny, approval and grant of approvals. It also requires that rules and procedures shall be simple enough for comprehension and use by the staff. Vested interests have always tried to make rules and procedures as complicated as possible. Regular training of the engineering personnel of both the Municipal and Panchayat organizations also needs to be emphasized. An application for building construction is admitted and permission is granted only after the application undergoes the following steps:

- (a) Registration of the application and assigning a 'file' status;
- (b) Preliminary scrutiny to see whether the application is accompanied by necessary documents, scrutiny with regard to nature and use of construction and conformity to Town Planning Schemes, if any;

- (c) Field verification to ascertain location and details of land and verification of field dimensions;
- (d) Ascertaining conformity with layout plan and with rules and schemes while recommending for approval;
- (e) Payment of permission fee; and
- (f) Approval and grant of permit for commencing construction /land development.

8.2.4 All the above are manual exercises and paper-based recordings of actions. Shortage of staff delays the field verification and this delays the processing of file. There is little clarity on the Town Planning Schemes. This often results in subjective interpretations and delays. Some of them are deliberately made because of corruption. **The location of the site cannot be verified sitting in the office since no local body has prepared a cadastral map on which the town planning schemes can be overlaid and read. Even major cities like Thiruvananthapuram, Kochi and Kozhikode are yet to go for Geographical Information System, (GIS) mapping and cadastral mapping. Land maps of the Department of Survey and Land Records are not updated and modernized and are also not matched with GIS mapping. A major malady confronting us today is that although spatial planning is one of the basic responsibilities of the Urban and Rural local governments they still do not have scientifically prepared land maps.**

8.2.5 There is very little transparency and systematized procedures for licensing of various activities. Trades and establishments in an urban or rural area need to be listed and licensed, not only to grant recognition, but also for taxation purposes and for regulation of activities. The process requires information on the type of activity and the premises from where this activity takes place. Foolproof systems have to be prescribed so that such licenses are issued in time and that the details are properly entered in the registers for follow up actions.

The process shall be devoid of subjective judgments and interpretations of rules and regulations.

8.2.6 The present practice of granting permissions and licenses are prone to subjective interpretations and unaccounted delay. A person intending to construct a building has to approach the local government many times – to obtain permission for commencing construction, to file completion certificate, to get building number assigned and to get property tax assessed. Therefore these processes have to be simplified, streamlined and made transparent, so that anyone intending to construct a building should get clearance in time. This is the only way to reduce corruption.

8.2.7 **The services related to welfare measures for the poor and the SC/ST are ridden with lack of transparency. Many of those who deserve assistance are sidelined in the process. In the absence of city/town level data bank, ad hoc lists are prepared in several cases for every scheme often in a partisan manner favouring those who line up behind the ward councilor/member or those who are with the ruling party.**

8.2.8 No urban or rural local body has declared any slum area. The Kerala Slum Areas (Improvement and Clearance) Act, 1981 stipulates that slum areas be declared by the ‘competent authority’ to make an area eligible for assistance for slum improvement. In the absence of such a notification of declaration, adhoc decisions are made whenever slum improvement projects are proposed by the ULB. In the absence of prescribed ‘definition’ of slum, even a cluster of three or four poor dwelling units is treated as a slum area and funds earmarked for slum improvement are spent on them. Even a declaration under the Act noted above cannot be a one time action. At regular intervals of time the ULB has to review the status of the residential areas of the poor based on clear parameters for identification of slum and issue revised declaration.

8.2.9 Town or Panchayat-wise list of households belonging to 'Below Poverty Line' category is being attempted, but finalization is delayed due to differences about the identification criteria or due to lack of will to agree and finalize. Though a list once prepared and published can or should be reviewed after a few years, since the income status of households is always in a flux, we are not able to finalise the list. This fluid state can lead to corruption. Elected ward members are often subjected to pressures to yield to individual requests. It is reported by many local governments that the ward sabhas and gram sabhas are now attended mainly by the beneficiaries of various welfare schemes to ensure that their names are included in the adhoc list of certain schemes. They have no interest in the other subjects that are discussed in the gram sabha gatherings. Data Bank of poor families, with education levels, employment status, income levels, health status, housing status etc. need to be recorded and reviewed at regular intervals (see Chapter. 10). This process shall have a prescribed system. Perhaps, we may ultimately aim at a household '**smart card**' system.

8.2.10 Though plan funds devolved to the local governments and the 'own source revenue' of the Gram Panchayats or Municipalities are expended on social welfare measures to record expenditure and/or to benefit certain groups, the local governments never follow up such cases of beneficiaries to know whether the assistance has really helped them or improved their lives. Consequently the same beneficiaries are selected every year. Annual payments on 'pensions' to very poor can be justified, though in other welfare schemes as assistance for construction of dwelling units this can lead to bogus claims and wasteful expenditure. **Absence of data bank and lack of updated BPL lists can lead to wasteful expenditure. The schemes fail to achieve the goals.**

8.3 Recommendations for Improving Service Delivery

8.3.1 The purpose of listing out a few recommendations here is to enable improvements in the delivery of those services which people as individuals or as households seek from the Municipalities or Gram Panchayats. Though this is a narrower view of the whole regime of 'service delivery by local governments', the (1) Permission /registration/license services and (2) Social Welfare Schemes directed towards the poor are two groups of services which need significant improvements.

8.3.1.1 (1) Information & Publicity: Every service delivered by the Municipality or Gram Panchayat should be made known to the people. It would be desirable to make people know of not only the type of service but also on how to apply for the particular service, what documents should be produced, when one can expect the service, who are the officers who would scrutinise and approve the application, what each officer would look for etc. These can be printed in small handouts and made available at the information counters. **These shall be related to Citizens' Charter. People should be informed of Citizens' Charter prepared by the Gram Panchayat and Municipality.** [See 8.3.1.3 below]

8.3.1.2 (2) Systematisation of Procedures: For every service, the Municipality or Gram Panchayat should prescribe procedures stating how to process an application/provision of service, who are the responsible officers handling the subject, what are their individual responsibilities and what they should verify/do and how long every officer should take to decide on the 'file'. These should be listed in an office procedure and made available to the concerned officers. Maintenance of registers with entries of each of the files shall be made mandatory. **These data should be compiled and reviewed. Every officer should also maintain updated 'Personal Register (PR)' which enables tracking of any**

file. There should be regular monitoring of the system at the Municipal or Gram Panchayat level and system corrections should be effected.

8.3.1.3 (3) Front Offices: All LGs notably the GPs¹¹ and ULBs should have **Front Offices** (Information Desks) where copies of the Citizens' Charter should be made available free to all citizens of the locality. The KILA has published excellent draft guidelines regarding the creation and management of Front Desks and a book on panchayat governance in January 2009. All GPs should be encouraged to set up Front Desks so that all the GPs should have that set up before year 2010 ends.

8.3.1.4 (4) Use of modern tools: GIS and cadastral maps, computers and simplified verification procedures and registers have to be used for expediting the process and also to make it transparent and for keeping records.

8.3.1.5 (5) Human Resource Development (HRD): The Municipality or Gram Panchayat functionaries need to be trained regularly on systems, rules and procedures; their problems should be heard and addressed. It is acknowledged that increasing the staff strength may not be easy or a feasible proposition due to various reasons. However, based on work studies, suitable strengthening may be attempted wherever required. It is to be recognized that increasing output and productivity may be possible when one knows what to do and how to do by providing adequate training and by making available a good working environment with required gadgets and other logistic needs.

8.3.1.6 (6) Learning by Exposure: The Municipal and Gram Panchayat staff should be exposed to 'best practices' with regard to delivery of services that have happened in local governments within the state and in other states. Such exposure training is also required for the elected members of the local bodies

¹¹ A few GPs have successfully done this.

[See Chapter 12]. The Director of Panchayats and Director of Urban Affairs in the State should collect and compile 'best practices', document them and make these documents available to the Municipal and Panchayat functionaries. State level training programmes and exposure visits should be arranged by the State departments.

8.3.1.7 In brief, once we affirm and underscore the fact that service with reasonable standard and quality to the people is the ultimate goal of governance, we set out the necessary condition for good governance. All others are but sufficient conditions although they are equally important.

Chapter 9

Revisiting the Role of Block Panchayats

9.0 Historically the block panchayats in Kerala is a new institution created as part of the implementation of the 73rd Constitutional amendment. As per Article 243 B of the Constitution: (1) *'there shall be constituted in every state, Panchayats at the village, intermediate and district levels in accordance with the provisions of this part'*. (2) *Notwithstanding anything in clause (1), Panchayats at the intermediate level may not be constituted in a state having a population not exceeding twenty lakhs.* Kerala State had through the Kerala Panchayat Raj Act, 1994 constituted Gram Panchayat, Block Panchayat and District Panchayat. The Kerala Panchayat Raj Act defines the roles and responsibilities of the three-tier Panchayati Raj system. The Schedules regarding responsibilities appended to the Kerala Panchayat Raj Act 1994 were further modified by Act 13 of 1999 with effect from 24-3-1999. Although Block Panchayat is an institution created by the Constitution, of late there is a strong opinion against the continuation of the BP. The Sixth Report of the Second Administrative Reforms Commission on Local Governance went to the extent of saying: "Clearly a mandatory intermediate tier panchayat would be redundant in Kerala" (p.29). The TOR of this Committee assigned long before this Report want the committee to examine the role of the Block Panchayats. Based on the studies and discussions we had with many people who work with Block level Panchayats and within the Panchayati Raj system, we have examined the relevance of Block Panchayat as the 'intermediate' level government in rural Kerala.

9.1 The Statutory Picture

9.1.1 The State Legislature has defined the role of the Block Level Panchayats in the decentralised planning and development process through Schedule 4 of the Kerala Panchayat Raj Act 1999. These are intended to enable the Block

Panchayats from overstepping into the functions of the gram panchayats, and to help them to build linkages with both the Gram Panchayats below and the District Panchayats above. The functions of the Block Panchayat (BP) are grouped under (a) General functions and (b) Sector-wise functions. The sectoral responsibilities are more specific, but it is the general responsibilities that truly reflect the rationale of the State Legislature in creating Block Panchayats. They are:

- (1) Utilise governmental and non-governmental technical expertise at block level;
- (2) Provide technical assistance to Gram Panchayats; and
- (3) Prepare schemes taking into consideration the schemes of Gram Panchayats in order to avoid duplication and to provide backward, and forward linkages.

These three guidelines generally provide the base for working of the BP. The specific sectoral functions assigned to the BPs are indicated under Schedule 4 (b). The responsibilities mentioned under 4(b) relate to 14 sectors ranging from agriculture to calamity relief and cooperation. By and large care has been taken to avoid duplication with the functional responsibilities of Gram Panchayats in these 14 sectors.

9.1.2 It is seen that even without direct intervention in individual assistance programmes, BPs can expand the three general guidelines under 4 (a) and provide meaningful linkages with the direct interventions in the project implementation of Gram Panchayats and District Panchayats. The sectoral programmes listed under 4(b) mostly relate to projects which normally transcend the boundaries of a Gram Panchayat or those which can be implemented for the benefit of more than one Gram Panchayat or those which relate to activities

which require more technical expertise in the nature of providing guidelines for many smaller units of Local Self Governments (LSGs).

9.2 Towards understanding Block Panchayats

9.2.1 In order to understand the functioning of the BPs we made visits to a few blocks besides holding discussions with concerned functionaries. The block panchayat association submitted a memorandum. Besides that we held several rounds of discussions with the main functionaries of their Association. The presentation in this chapter is based on the evidences we have from various sources and the inferences we arrived at. The Committee studied a few block panchayats and discussed the affairs of the BPs with the elected members and officers of the BPs, notably with the Vadakara, Iritty, Pampakkuda and Koothuparamba Block Panchayats. In addition, the Committee had prolonged discussions with the President and members of the Block Panchayat Association. The Committee also commissioned a few experts to carry out case studies in a few selected Gram Panchayats, Block Panchayats, District Panchayats and Municipalities. These studies and discussions helped in understanding the past experiences, frustrations and problems faced by the BP functionaries and the future they envisioned. These were of great help in formulating our views.

9.2.2 Vadakara BP complained about the very limited tasks assigned to them and the limited funds available at their disposal. The resources of the BP which were of the order of about Rs.45-50 lakhs rose to 80-85 lakhs when central project assistances are also added. **It was made clear that the Block Panchayat set up and the Block Development Officer's unit were functioning independently. The BP Plans do not include funds received from the Rural Development Commissionerate under the Central Government sponsored projects. Members of the BP were not involved in the projects implemented under the directions of Block Panchayat Secretary in his capacity as BDO. Non effectiveness of the**

Standing Committees and the existence of many Working Groups were a few of the issues seen to be worrying the members.

9.2.2.1 The Block Panchayat plans and Gram Panchayat plans were formulated independently of each other with very little integration. Quite often individual beneficiary schemes were directed towards the same set of recipients. Obviously it is unnecessary for BPs to duplicate the same programmes at the same scale that Gram Panchayats handled. Vadakara BP made a vigorous plea for own resources. They argued that the BP should have the right to raise revenue from all buildings, markets or other constructions they have made. What the Vadakara BP told us is worth reporting. “We know we are weak and irrelevant. A Block is to be seen as a development entity. Members usually see development from a ward or electoral perspective. We in Vadakara never see projects or plan from a narrow ward perspective. The coconut development scheme of the block was for the whole block. We are happy to say that there is good working relationship with the implementing officers. Even so we are aware of the fact that some officers are neither in the block nor in the village” [From the notes of the Committee Chairman].

9.2.3 Koothuparamba BP wondered whether under the present manner of functioning BPs are necessary at all. The BP queried on the relevance of BPs in the context of Kerala. From our lead questions it was clear that the members failed to distinguish between the role and functions of a Gram Panchayat from that of a Block. The BP seems to consider itself as a higher tier above Gram Panchayat with a hierarchical relation.

9.2.4 Iritty BP which comprises seven gram panchayats in the Kannur district proudly narrated their achievements notably the employment generated for 87 women through the training programmes organized by them and the

construction of Rural Community Health Centre. It is important to mention the following statements of the President of Iritty BP made before the committee.

- The limited and routine operations of the BP is due to the paucity of funds
- New initiatives in formulating schemes appropriate to local needs do not find acceptance by the public or the DPC.
- Transferred institutions continue to work as before owing allegiance to their respective parental departments. BPs are practically sidelined.
- Convergence of various funds for comprehensive block level development does not happen. Departmentalism is the enemy of progress.

9.2.4.1 During the long interactive sessions, one suggestion that emerged on a consensus basis was that it is possible at the BP level to organize a planning data/resource bank and to develop a records library, so that the BP members and others understand the processes better and guide the Gram Panchayats effectively in Plan formulation and implementation. Table 9.1 gives the major projects implemented by the Iritty Block panchayat during the 9th and 10th five year plans. They cover a wide range. But the rate of utilization of funds is very poor.

Table 9.1
Major Projects implemented by Iritty Block Panchayat

Sl.No	Sector	Projects
1	Industry	Hatchery, 1997-2002 Mini Dairy Unit, 2001-02 Women Industrial Complex, 2002-07 Mini Industrial Estate Subsidy for women micro enterprises Industrial Training Centre
2	Education	Kitchen & Toilet facilities for schools Teacher Training Camp & camp for students
3	ST Development	Houses and land for ST, House repairs Construction of toilets and wells Hostel building, assistance to procuring furniture & TV to recreation clubs Distribution of goats, training for self employment Assistance for hospital treatment, home for the aged &

		handicapped
4	Agriculture	Lift Irrigation Project at Pattanur Provided farm machinery to <i>Padasekhara Samithis</i>
In the Production Sector, 19 projects were proposed in the 10 th Five year Plan period and completion rate of projects is only 36.80 percent (success rate in the 9 th Plan was 28.90%).		
In the Infrastructure Sector, 9 projects were proposed and the completion rate is 55 percent (during 9 th Plan 17 projects were proposed with completion rate of 11.76%)		
In the Service Sector, 43 projects were proposed during the 10 th Plan period with completion rate of 41.80 percent (64 projects with 23% completion in the 9 th Plan)		

9.2.4.2 In the year 2006-07 Iritty Block Panchayat had received Rs.192.87 lakhs as grants from Government and had also earned Rs.1.27 lakhs as non-tax revenue. The BP spent Rs.19.72 lakhs on Productive Sector, Rs.17.74 lakhs on Infrastructure Sector and Rs.67.53 lakhs on social service sector. The rate of utilization was only 55 per cent.

9.2.4.3 In the year 2006-07, the BP had 14 projects in Productive Sector (including 2 in WCP) and 5 spill over projects. Out of this 19, they could complete only 7 (including one in WCP) and they dropped 3 projects. Iritty BP did not have any new Projects during 2006-07 in the Infrastructure Sector, although they had 4 spill over projects. But they could complete only one project. The BP had during the same year 31 new projects (including 2 each in SC and WCP) and 11 spill over projects in the services sector. They could complete 21 projects in the general category, 4 in SC and 1 in WCP categories. Eight projects were dropped. The project scenario shows a strong preference for projects in the social service sector. A few reasons for this are noted below:

- Social Service Sector projects are small in nature and easily implementable without much planning and effort
- Since many of the projects in the sector are single household beneficiary oriented, the elected members have more direct contact with the beneficiaries and they gain political mileage out of such direct dealing with beneficiaries

- Since the individual projects are small in size and more in number, such projects are more feasible to be divided ward-wise within the Block satisfying more elected members

9.2.4.4 In our discussions at Iritty as elsewhere it was clear that there was a predominance of beneficiary and service sector schemes and a tendency to replicate schemes which otherwise could have been implemented by Gram Panchayats. The role of BP envisaged as an intermediate level Panchayat and as a facilitator is rarely reflected in the BP projects.

9.2.5 Pampakkuda BP We did not visit the Pampakkuda block. But on the basis of the plan implementation data, the study in the Ernakulam district we worked out certain averages and ratios. They are reported in Table 9.2

Table 9.2
Projects implemented by Pampakkuda Block Panchayats during the 10th Plan

No.	Sector	Details	Performance during the 10 th Plan
1	Production	Average number of projects per year	13
		Average financial outlay per project	Rs.1,50,700
		Completion Rate of projects	42.50%
2	Infrastructure	Average number of projects per year	13
		Average financial outlay per project	Rs.2,12,900
		Completion rate of projects	63.20%
3	Service Sector	Average number of projects per year	21
		Average financial outlay per project	Rs.2,17,800
		Completion rate of projects	74.20%

9.2.5.1 The BP had a total revenue of Rs.174.41 lakhs as grants and other receipts in the year 2006-07 and they spent Rs.19.94 lakhs on Productive Sector projects, Rs.15.51 lakhs on Infrastructure projects and Rs.41.68 lakhs on projects in the Social Services sector. The rate of spending was only 44 per cent. By any reckoning this is a poor record. In the year 2006-07 Pampakkuda Block Panchayat had taken 9 projects (including one under WCP) in the Productive

Sector. One project was carried over from the previous year. They could complete 7 projects (including one under WCP). However the BP could take only two projects (one general and one SC/ST) under Infrastructure Sector and 2 projects were carried over from the previous year. Out of these 4 projects they could complete 3 projects. Under the Service Sector the BP had proposed 19 projects during 2006-07 (6 under SC/ST and one under WCP). One SC project was carried over from the previous year. The BP could complete 14 projects.

9.2.5.2 The Pampakkuda Block Panchayat secretary held the view (in a presentation before the Chairperson) that with over 1400 projects spread over 8 gram panchayats to be managed, the staff strength at the block level is inadequate. A rationalisation of the staff pattern of the block functionaries through work study was suggested.

9.2.5.3 From the two case studies of plan grants and expenditure we have presented above it is seen that more emphasis is on projects coming under the social service sector and that Productive sector did not receive focused attention at the Block Panchayat levels. The rate of utilization of funds is also poor.

9.2.6 From the elaborate discussions with the various Block Panchayats and from the studies conducted by the Committee, certain general observations that occurred to us are reported below:

- (1) The distinction between the working of Gram Panchayats and the Block Panchayats is not clearly understood by the Panchayat level functionaries at all the three tiers. Block Panchayats generally try to replicate the functions of Gram Panchayats.**
- (2) There is clearly two different functional groups at the Block Panchayat level – the Block Panchayat as the intermediate level of the Panchayat Raj system and the official level community development block. Though the

BDO is the Secretary of the Block Panchayat integration of the functional roles and convergence of development programmes at area level do not happen. The elected members of the BP are not aware of the central Government assisted development programmes being implemented through the BDO. The BP programmes do not integrate their development activities with the CD programmes which are implemented and monitored by the Rural Development Department. We firmly recommend that this fragmented approach should end. The schizophrenic role of the BDO should also end.

- (3) The three cardinal roles of the BP mentioned in Schedule 4 (a) of the Kerala Panchayat Raj Act 1994 (as amended in 1999) relate to the utilization of technical expertise, making available technical assistance to Gram Panchayats and developing backward and forward linkages in formulation of schemes. These roles have been observed in their breach.**
- (4) Block Panchayats could not contribute substantially to the productive sectors, in spite of the fact that Schedule 4 (b) of the Panchayat Raj Act assigns duties with regard to agriculture, animal husbandry, milk production, small scale industries and energy to Block Panchayats. Perhaps the reason could be that BP could not conceive of non conventional schemes in the above areas.**
- (5) The elected members of BPs generally feel that they do not command the respect that a member of Gram Panchayat enjoys with the local populace. They expressed that their functional role is rarely understood.**
- (6) The BPs felt that the limited resource allocation is a constraint. Some even favoured granting taxation rights to Block Panchayats. Many have not thought of innovative approaches for resource mobilization. However few like Kodakara Block Panchayat tried to combine their Plan Funds with MP and MLA LAD funds and other resources that can**

be raised through financial institutions. This shows the potential. If there is a will, the way is open.

9.2.7 It is with this background that the Members of the Committee met the members of the Block Panchayat Association. The office bearers of Association after an introductory meeting with the Committee returned after a month for a second round of discussions, and after holding several rounds of internal meetings amongst their members submitted a 'Memorandum' to the Committee.

9.3 Discussions with the Block Panchayat Association

9.3.1 In the first round of discussions held on 11.04.08 the Block Panchayat Association representatives expressed only very limited views. The salient features are outlined below:

- The functional responsibilities assigned to the BPs are not adequate.
- Block Panchayats can contribute better in the area of small scale industrial development
- It should be possible for BPs to act more effectively in matters relating to waste management
- The Secretary of the Block Panchayat has a dual role since he/she also functions as the Block Development Officer. The services of the official are only partly available as Block Panchayat Secretary, since as BDO he is traditionally working as an implementing officer under the Rural Development Department. State level decisions are required to integrate Rural Development Commissionerate with Panchayat Raj system.
- It is necessary to redefine the role and functions of the Block Panchayats – it is also necessary to review the staff strength of the Block Panchayats
- The present conflicts between the development projects taken up by Block Panchayats and Gram Panchayats need to be resolved
- Perhaps there is need to prepare sub regional plans at Block level

- The present quality of Budget preparation at the block level is poor. Budgets do not act as development policy and regulatory mechanism. BPs have not received adequate training in budget preparation
- Absence of any monitoring mechanism

9.3.2 We may supplement this from the salient issues raised in their memorandum. For analytical purposes we have grouped them under the following heads.

(a) Restructuring of the Organisation

- (i) The Secretary of the Block Panchayat continues to function also as the Block Development Officer. The development programmes implemented through the BDO, as an officer of the Rural Development Department are not consulted with BP and these programmes are not integrated with BP programmes. The BP Plan does not include rural development schemes implemented through the line department. It is necessary to terminate the post of BDO, who should act fully as Block Panchayat Secretary.
- (ii) The officers of the offices/departments/institutions transferred to Block Panchayat should become ex-officio Secretaries of the BP.
- (iii) The programmes implemented through these transferred institutions should be integrated with BP programmes and plans.
- (iv) The staff structure of the BP should be reorganized and the staff suitably trained and empowered.

(b) Planning

- (i) It is necessary to organise a Planning Data Bank at the Block level, collecting details from the Panchayat level.
- (ii) A Planning Cell should be constituted at the Block level. The Block level TAG can act as the Secretariat of the Planning Cell.
- (iii) Quality of Block level Planning should be improved
- (iv) Several agencies carryout various surveys and studies at the block level. But these are not compiled, documented or made available for other purposes or for the benefit of the blocks. In spite of such surveys comprehensive planning data at Panchayat or Block levels are not available. It is necessary to carry out comprehensive survey of all households within the state with all necessary details. This should be updated at regular intervals. These should be available at the Gram Panchayat level and kept in the Block level Data Bank. Similarly at every five years, data on water resources including ponds, paddy fields, natural resources, religious buildings, voluntary organizations, government land etc. should be collected and documented.
- (v) BPs should be strengthened to provide guidance and assistance to Gram Panchayats in Plan preparation and project scoping
- (vi) Multiyear projects of the BPs should be given preference
- (vii) Projects worth 150 per cent of the annual allocation should be approved. However in the last year of the five year plan period, these can be adjusted against the total fund availability for the five years

(c) Specific additional Projects which can be assigned to Block Panchayats

- (i) Implementation and monitoring of all centrally sponsored schemes
- (ii) RLEGP – implementation and monitoring
- (iii) MP LAD and MLA LAD projects
- (iv) Flood relief projects
- (v) Water resources conservation
- (vi) Social Forestry programmes
- (vii) Panchayat roads of 8m width (roads of less than 8m width to be maintained by GPs) – and permit BPs to utilize maintenance fund for road maintenance
- (viii) Mobilisation of funds at Block level to constitute a disaster mitigation fund

(d) District Plan

- (i) The present method of preparation of District Plan is a wasteful exercise.
- (ii) DPO (District Planning Officer) should be made responsible for District Plan preparation. Seminars should be conducted at the level of Gram Panchayats and Municipalities and subject experts and people should be consulted. These should be compiled and processed based on seminars at Block Panchayat levels. The draft District Plan so prepared should be discussed with MPs and MLAs from the district, invited experts, District level officers and the District Panchayat President and finalized.

(e) Capacity Building

- (i) All training programmes under Decentralised Planning should be coordinated by KILA (Kerala Institute of Local

Administration). If training is imparted by any other agency, the training modules should be as designed in consultation with KILA.

- (ii) The quality of training received so far needs considerable improvement.
- (iii) It should be possible for KILA to organize training programmes at different locations, especially since women members of the LSGs are not able to travel far and stay away from home longer for participation in training at KILA. Training can be organized at Block Panchayat level.

9.4 Our Remarks and Response

9.4.1 Certain views expressed by the Block level functionaries, which are corroborated in the studies carried out by the Committee are very disturbing. Perhaps this is not expected when the State created the 'intermediate level' Panchayat in the three tier Panchayati Raj system. We are not inclined to subscribe to the view that the intermediate tier is redundant in Kerala as the ARC and several other agencies consider. We treat it as a given constitutional entity. We evaluated the working of Block Panchayats, to see how far they have done justice to the three basic responsibilities mandated under Schedule 4 (a) of the Panchayat Raj Act.

- **Utilisation of government and non-government technical expertise**

9.4.1.1 Such utilization of technical expertise is required to prepare Block level Development vision and development strategy for the Block, preparation of project priorities, compilation of planning data and sectoral planning reviews and making available such planning data to the Gram Panchayats, providing training to Gram Panchayat etc. No attempt has been made by Block Panchayats

to carry out this mandate. Even identification of non-governmental expert pool available within the local level was not undertaken.

- **Provide technical assistance to Gram Panchayats**

9.4.1.2 Gram Panchayats require technical assistance in obtaining planning data, identifying of innovative projects to solve the felt needs within the Panchayat area, in the preparation of project briefs for the various projects, in the preparation of schemes and Five year and Annual Plans, providing technical aid in watershed planning, in training their functionaries in various aspects of administration including budgeting and financial management and development administration. The Gram Panchayats also need external technical pool to help them in the above tasks. The Block Panchayats have failed in this task. Panchayats with a weak organizational capability was not able to provide any of the above technical assistance or guidance to the GPs.

- **Prepare schemes taking into consideration the schemes of Gram Panchayats in order to avoid duplication and to provide backward and forward linkages**

9.4.1.3 This third responsibility of BP puts in a nutshell a few cardinal principles in the formation of BPs. BP should study the proposals of GPs within its jurisdiction. BP should formulate their own schemes which should never be a replication or duplications of GP schemes. While BP schemes should relate to GP schemes they should not be a duplication, which means that BP should consider only schemes and projects which transcend the capacity and/or transcend the jurisdictional area of GPs. At the same time BP schemes should provide backward linkages with GP development schemes. Projects of BP should also provide forward linkages with the schemes of the District Panchayats. Perhaps, innovative concepts are required to identify such schemes. BP should be aware of what is happening at GP below and at the DP level above. They also should have command over expertise and planning data and must have a broader vision

of the development needs of the block and the district. Unfortunately this has not happened. Clause (1) and Clause (2) under the 4th Schedule are related to Clause (3). Technically BP should work on a higher plane with a broader development perspective than what is available at GP level. The State apparently failed to train and equip BP accordingly.

9.4.2 Another lacuna was the absence of District Development Plans which could have guided the BPs. There was also no attempt at Block level to prepare Block development Plans. During the early seventies, under the Ford Foundation aid sponsored by GOI, Kerala attempted to prepare Block Development Plans as pilot projects. The concept adopted was based on the so-called growth centre approach. But the attempt was aborted, since growth pole and growth centre theory came under attack in India and outside. Kerala did not follow up on this initiative to continue to prepare Block Development Plans.

9.4.3 It is this contextual background and the recognition in many circles to consider BP as yet another Gram Panchayat, but with bigger area of jurisdiction, that made at least a section of the population to think 'whether we need BP in the context of Kerala'. **But situations warrant otherwise to give a fair trial to this institution before entertaining the question of doing away with it.**

9.5 Recommendations

9.5.1 *Need of the intermediate tier in the Panchayat Raj System*

9.5.1.1 Need of the intermediate tier in the Panchayat Raj System in a state like Kerala is being debated in many a forum. In many other states in India the average population size of Gram Panchayats is 2000 to 5000. (However, Assam has 10783, Bihar 8773 and West Bengal 17218) Gram Panchayat in Kerala has an average population of 23789 (highest among Indian States). Perhaps this is one factor that has prompted to make introspection as to the need for another

intermediate tier of Panchayat between the gram level and district level. The average population at the district level in Kerala is 16.83 lakhs. The average population size of Block Panchayat is noted as 1,55,095. [See GOI (2007), ARC Sixth Report]

9.5.1.2 Perhaps this is the same argument for favouring the continuance of the intermediate tier of Panchayat. Between an administrative unit of 20000 population and another of 16 lakhs, there is need for an inter-mediate decision-making level, where development actions which do not come only within the purview of the gram panchayat level can be handled. Perhaps considering the responsibilities given to BPs as per Schedule 4 (a) (1) and (2), an area level at which technical expertise can be identified and pooled would be the Block level.

9.5.1.3 Considering the above it is recommended that Kerala may opt to retain the intermediate level Panchayat, but with redefined roles and functions.

9.5.2 Redefining the roles and functions of Block Panchayat

9.5.2.1 As we have repeatedly pointed out above schedule 4 of the KPR Act gives the general functional responsibilities in 4 (a) and the sector wise responsibilities in 4 (b). Fourteen sector-wise responsibilities broken into 27 sub-sectors are also given. We have noted that the Block Panchayats in general failed to do justice to the general responsibilities mandated under 4(a). The members of the BP Association maintain that the BPs can assume these three responsibilities. It seems that these three responsibilities have not been adequately interpreted to the BP functionaries and that the different ways and methods by which they could play these roles have not been exposed to the BP functionaries in the training programmes they received.

The general roles and responsibilities (**Schedule 4 (a) of the Act**) can be clearly redefined as follows:

- (1) A Planning Data Bank should be set up at the Block Panchayat level. The Block can become a resource centre for planning exercises at the lower level Panchayats and for regional planning exercises at the higher level.**

Explanatory Note: Planning data Bank can be set up by collection and collation of all secondary data pertaining to the district and to the lower area level which are produced by the State level Departments, Parastatal agencies, other autonomous organizations like the University, Colleges or other organizations or individuals. In addition the surveys carried out on any specific subject or sector by different organizations, researchers etc. may be collected and placed in the data bank. These available data may be bound, documented and numbered and made available in a planning library. This data bank should be available for the Gram Panchayats for planning work, for understanding of any subject (like waste management, energy management or rain water harvesting etc.) and also to be used by the District Planning exercise at the higher level. This recommendation is complementary to the recommendations of Chapter 10.

- (2) Technical Manpower Resource Bank should be identified and pooled at the Block Panchayat level. Both the Block Panchayat and the Gram Panchayat can bank on these experts and technical professionals for general planning, subject planning, project planning and similar other tasks.**

Explanatory Note: This technical pool would work with the Block Panchayat to carry out subject studies and prepare sector-wise policy plans at the Block Panchayat level (like drafting regional agricultural development policy, water resources management policy, environment conservation strategies, watershed management techniques policy on sustainable health practices etc.) In addition, this technical pool can also help the Block Panchayats in preparing comprehensive long range Development Plans as Sub – Regional Plans at the Block level. The Gram Panchayats within the Block can draw advice from this technical pool for planning at the Gram Panchayat level. The experts in

the pool can be used for training programmes on various subjects organized at the Block Panchayat level. The State Government has now extended Building Rules for all Panchayat areas. Plans have to be prepared for all building activities by licenced supervisors, engineers and architects. Such licenced experts, if not available at the Gram Panchayat level, they may be licenced and at the BP level so that all the Gram Panchayats within the Block can make use of their services.

- (3) Block Panchayats may provide technical advice and assistance to the Gram Panchayats in Plan preparation, identification of individual priority projects, in specific subject studies like water shed management, on block level resources etc.**
- (4) Block Panchayats shall cause preparation of Sub Regional Plans for the long range development of the areas within the Block. Such Block Development Plan shall follow 'Strategic Planning Approach' with development of Vision and Strategies. Such block level sub regional plans should be formulated within the framework of District Plans [See Chapter 11].**
- (5) There shall be a planning cell at the block level with the Block Panchayat President as Chairman and one Standing Committee Chairman as Vice Chairman. This Standing Committee Chairman shall be nominated / designated as the Standing Committee Chairman - Planning.**
- (6) The Block Panchayat with advice from the Planning Cell shall identify development projects within the block and prioritise them. Such identified projects which come under the purview of the Gram Panchayats shall be made known to them. Those major projects which come under the purview of the District Panchayat, due to the size of the project (due to its nature of transcending the boundaries of the Block Panchayat and benefiting a very large area within the district) may be brought to the notice of the District Panchayat.**

- (7) The Block Panchayat may carry out subject studies on subjects which affect/benefit more than one Gram Panchayat area. (on such subjects like water shed development policy, irrigation, conservation of natural resources eco-tourism and /or heritage, health, education etc.)

9.5.2.2 The Sectoral responsibilities mentioned under **4 (b) of the Schedule** of the Kerala Panchayat Raj Act 1994 (amended in 1999) shall be clearly spelt out to avoid overlapping with the functions of the Gram Panchayats. Projects or actions initiated / implemented by GPs shall not be replicated at the Block Panchayat level.

- (1) **BPs shall not plan and implement any project oriented towards individual beneficiaries. All centrally sponsored and MP, MLALAD Schemes, that are not beneficiary oriented should be implanted by BPs.**
- (2) **BPs shall generally consider only those projects which transcend the boundaries of one Gram Panchayat area and benefit more than one GP area/population.**
- (3) **BPs shall give more importance for Productive Sectors – focus should be to act as a facilitator.**
- (4) We redefine the Block Schedule as noted below:

(a) Agriculture:

- Preparation of Agricultural Development Plan with long term development Strategy for the Block and defining the role of the constituent Gram Panchayats
- Organise required training facilities/programmes to the agriculturists and officers
- Organise agricultural fairs with the intention of propagating new methods of cultivation, making available markets for agricultural implements, seeds, fertilizers & pesticides, opening out markets for

agricultural produces and for encouraging cultivator – scientist dialogues

- Identification of agricultural financing resources and lending institutions and arranging credit schemes

(b) Animal Husbandry and Dairying

- Establish and run regional veterinary polyclinics and artificial insemination centres
- Conduct expert advisory workshops on various aspects of animal husbandry, animal welfare etc.
- Organise cattle & poultry shows.

(c) Minor Irrigation & Conservation of Water Resources

- Plan and implement small irrigation and lift irrigation schemes, which benefit more than one Gram Panchayat area
- Conservation and development of water resources within the Block and preparing Water Shed Development Plan
- Encourage Rain Water Harvesting (RWH) schemes and organize facilitation centres at regular intervals to enable individuals and Gram Panchayats to benefit from technical expertise and other facilities provided in the centres.
- Promoting responsible tourism

(d) Fisheries

- Improve and develop traditional / existing fish landing facilities

(e) Small Scale Industries

- Establish mini industrial estates based on feasibility studies
- Prepare feasible project plans for small scale industrial ventures and/or collect model project reports for projects feasible in the Block area
- Train small entrepreneurs to start self help units

(f) Housing

- Encourage formation of housing cooperatives
- Give publicity and organize training programmes for cost effective housing
- Encourage private initiatives to start manufacture of prefabricated building components and to start building materials market

(g) Energy & Electricity

- Develop non conventional energy sources and encourage private sector initiatives for this
- Give publicity to energy conservation measures

(h) Education

- Preparation of education policy for the block highlighting the role of government schools and the improvements required in those schools, review of examination results/standards in the schools and advise remedial measures to initiate Gram Panchayats to take required actions
- Running of Government I.T.I.s
- Review the situation of pre primary education within the block area and coordinating with the state policies and initiate actions

(i) Public Works

- Take up road projects (excluding NH, MDR and other PWD Roads) which benefit more than one Panchayat area
- Prepare road connectivity/network plan as part of the Block Development Plan and point out roads which need to be prioritized by Gram Panchayats and District Panchayat
- Construction of buildings for institutions transferred from Government.

(j) Public Health and Sanitation

- Run Community Health Centres and Taluk Hospitals which provide preventive and curative health programmes in all streams of medicine
- Establish and arrange to operate Solid Waste Management sites, which benefit more than one Gram Panchayat area, so as to achieve economies of scale
- Establish and arrange to operate Crematoria and Abattoirs which benefit more than one Gram Panchayat area so as to achieve economies of scale
- Establish and maintain regional level Play Grounds, Parks and / or Swimming Pools which benefit more than one Gram Panchayat area so as to avoid every Gram Panchayat to maintain such facilities
- Prepare Health Calendars for the Block Area indicating the possibility of seasonal diseases and contagious diseases and recommending preventive actions to be taken by every constituent Gram Panchayat, the health institutions and the public.
- Running palliative health care centres for the aged in cooperation and/or consultation with GPs.

(k) Social Welfare

- Run I.C.D.S. programmes

(l) Poverty Eradication

- Plan and implement Employment Guarantee Programmes in association/coordination with Gram Panchayats
- Encourage and train the poor for taking up small micro enterprises as self employment programmes
- Provide wage employment opportunities to the poor

(m) SC & ST Development

- Run Pre- Metric hostels
- Encourage cooperative societies among the Schedules Castes and Scheduled Tribes

(n) Cooperation

- Encourage cooperative society movement within the Block Panchayat
- Strengthen Cooperative Movement

9.5.3 Assigning some revenue responsibilities

General block functionaries argued for raising non-tax revenue or user charges on select items. We recommend that they may be given the right to collect rent from any building complex or construction they have made. We also recommend that for bigger inter GP projects which require institutional borrowing the BP should act as a coordinator.

9.6 Capacity Building

9.6.1 Compared to the functioning of Gram Panchayats, District Panchayats and Urban Local Bodies, a different kind of role is expected from the Block Panchayats. Provisions of the existing Act and the recommendations made in this Report envisage the Block Panchayats to function mainly as a Planning and Coordinating Agency building required linkages with the Gram Panchayats below and the District Panchayat above. The Block Panchayat would also function as a training centre and a technical expertise bank, which the Gram Panchayats can look up to.

9.6.2 To enable the BPs to function accordingly, the BP functionaries need to be adequately trained at various levels. Kerala Institute of Local Administration

(KILA) has to design specific training modules for the Block Panchayat functionaries.

9.7 Functional Integration of Block Panchayats with C. D. Block

9.7.1 A serious functional duality which is noticed at the block level is that the Block Panchayat and the Community Development (CD) Block function with the same executive functionary as the anchor person (the Block Panchayat Secretary and the Block Development Officer) but with activities and projects which are not functionally and area-wise integrated. The BDO as an officer of the Rural Development Department executes the projects and priorities including Central Government sponsored schemes and projects, which are channeled through the line department. These projects are implemented in the same block area, but the Block Panchayat functionaries are not involved in the formulation and implementation of these projects. The same officer sitting as Block Panchayat Secretary is responsible for the formulation and implementation of the schemes and projects of the Block Panchayat. The projects under the same sector are formulated and implemented in the same area by two organizations under the same person as the functional executive; however these two actions are related. This appears to be a serious contradiction and a dangerous situation.

9.7.2 The BP functionaries are not aware of the projects formulated and implemented in their area of jurisdiction perhaps in the same sectors in which the BP is also working. Change in this functional duality and integration of these two roles with dual administrative controls is a challenging task, but needs to be addressed at the State level. This requires a political discussion and decision, but strongly recommended. Unification under the Block Panchayat with the same BP Secretary, without denying him/her of the existing avenues for promotion may be an administrative issue. Similarly, to integrate the Rural Development Department with the Panchayat Raj system, without losing the possibilities for

accessing central funds under the sector, may be a planning issue. But functional integration of rural development department and the Block Panchayat aiming at coordinated convergence of schemes and projects at area level is a developmental imperative. Immediate policy initiative is advised.

Chapter 10

Building a Data Base for Local Governance

10.0 As local governance is an experienced reality and decentralized planning is its foundational building block, creating adequate, timely and relevant data at the local level is crucial. Generation and transmission of data is basically governed by supply and demand. The 73rd/74th constitutional amendments that ushered in the third strata of local governments and the conformity Acts of the states following from these have set the stage for a new era of decentralized governance. The Kerala Panchayat and Municipality Acts and the various schedules of these Acts outlining the activities and sub-activities, and the people's plan campaign heralded in mid-1996 created a compelling and continued need for a new set of information to help the formulation and monitoring of local level planning and development in the state. The local governments in Kerala handle over Rs.3000 – 3500 crore per annum which include besides revenue raised by them, a substantial amount transferred from higher level governments. The task of building, monitoring and managing a set of reliable data is the essential prerequisite for good governance. For monitoring purposes base line data may be identified and created. Wherever good data are absent bench mark surveys have to be done. In brief, data demand is massive and the challenging task is to build a good supply system that suits it.

10.1 A Critical review of the existing data system

10.1.1 The sources of data relating to the various aspects of the day to day functioning of the panchayat and municipal offices are numerous and are of good, bad and indifferent categories. Agricultural Officer, ICDS Project officer, Anganwadi workers, Health Inspectors and midwives of the primary health centre, Kudumbashree functionaries, Village Extension Officer, Veterinary Officer and other functionaries are encountering a good deal of information

almost everyday. A lot of statistics are also available from the registers and other files and papers maintained as a part of the routine duties of the different functionaries in the jurisdiction area of the panchayat. It is necessary to review this data availability.

10.1.1 Panchayat/ Municipal Registers

10.1.1.1 Generally the panchayat offices maintain the following registers: Building Tax Register, Five Year Building Tax Demand Register, Outdoor Officer's collection Register, Arrear Demand Register, Office Collection Register, Professional Tax Register, Licence and Permission Register, Marriage Register, Birth Register, Death Register, Allotment Register, Expenditure Register, Register of Schemes, Tender Register and General Information Register. We review them briefly below: -

1. Building Tax/Five Year Building Tax Demand Register contains the following information:
 - i. Data on number of buildings, ward wise with building number
 - ii. Name of owner
 - iii. Type of building such as concrete, tiled, thatched etc.
 - iv. Whether rented or not and if rented amount of rent
 - v. Buildings taxed and buildings exempted from tax
 - vi. Break up of building tax as tax, library cess etc.
 - vii. Demand, collection and balance (DCB)
2. Professional Tax Register
 - i. Institution-wise and Designation-wise list of employees
 - ii. DCB of Profession Tax
3. Licence and Permission Register

- i. Ward-wise data on shops, firms, offices and institutions for which licence or permission is issued with building number, purpose, amount remitted etc.

4. Marriage Register

This register contains data on:

- i. Date of marriage
- ii. Taluk, Town, Village
- iii. Name
- iv. Age
- v. Place of birth
- vi. Marital status
- vii. Occupation
- viii. Place of residence
- ix. Name of Father or Guardian
- x. Names of witnesses etc.

5. Allotment and Expenditure Register

This register provides data on:

- i. Scheme wise details of fund allotted or received; and
- ii. Details of expenditure

6. Register of schemes

7. Tender register

Registers (6) and (c) contain details of schemes with financial provisions and details of tender.

8. General Information Register

This register contains a good deal of useful information such as:

- i. Types of institutions and offices in the panchayat
- ii. Ration shops, Maveli stores, mini industries
- iii. Mahila samajams, Anganwadis, Kudumbashree Units/SHGs

- iv. Panchayat Buildings and Assets, Panchayat stadium,
- v. Street lights, public wells, public bore wells, water pipelines laid by the panchayat, water supply schemes, Swajaldhara schemes, Irrigation schemes, Street lights, Roads of different categories, street lights

10.1.1.2 In the case of the data from the Panchayat/Municipal Registers, generally, the data is collected adopting a beneficiary/applicant approach which is not scientific, regular or systematic. The data in the registers are not generally verified or updated. The reliability and coverage of this data is, therefore, doubtful. The local government is using this data only for the limited purpose for which the registers are maintained.

10.1.2 Civil Registration System of Births and Deaths

10.1.2.1 The Civil Registration System is governed by the Registration of Births and Deaths Act and the rules made there under. Currently in force are the Kerala Registration of Births and Deaths Rules, 1999. Section 7 of the Act, empowers a Registrar at the local level to enter in the register maintained for the purpose, all information on births and deaths which take place in the jurisdiction. Details of live births, still births and deaths will be collected along with particulars of the child's parents. The Department of Economics and Statistics will also receive a copy of these registrations. The system is reported to be regular, systematic and scientific. The Information Kerala Mission (IKM) through its 'Sevena' has made some bold initiatives which need be accelerated.

10.1.3 Development Report, Plan Documents etc. of the Panchayat

10.1.3.1 The Development Report occupies a key role in the methodology of decentralized planning in Kerala. It is an extremely important and relevant document which seeks to spell out the vision of the panchayat in relation to its material, human and financial resources. The Report requires a wide range of

data set. The data is collected mostly from secondary sources at the time of preparation of the report. **The data was collected by volunteers, recruited locally for the purpose. No attempt has been made to check the quality and reliability of the data. From a professional point of view the data can be used only with considerable review and scrutiny. When the entire data set get streamlined the quality of the Report itself will improve significantly. It can even be made an important building of block of local data base.**

10.1.4 Annual Survey under ICDS Project

10.1.4.1 This survey is conducted by the Anganwadi workers. Details about children in the LG areas are collected. In the absence of qualified investigators who are not imparted necessary training, reliability of the data generated through these surveys has to be ensured.

10.1.5 Kudumbashree Programme

10.1.5.1 Considerable information is collected from the families who are members of the Self Help Groups. Prescribed formats are used for collecting and recording the data. The Kudumbashree programme is using this data. The major defect with this data is that it is collected by the persons who are the beneficiaries of the decisions taken on the basis of this data and as such the data is likely to be biased information. There is no cross checking of the information collected.

10.1.6 Primary Health Centre Data

With the help of Junior Health Inspectors/Junior Public Health Nurses, a lot of health related information is collected from the households. The data include information on source of drinking water, type of latrine, details of family members such as age, sex, education, occupation and income of members, immunisation, ailments etc. The above data are collected through household enumeration using prescribed formats. **Data collection is done on a regular,**

systematic and scientific manner using statistically designed formats by properly trained investigators. The data is consolidated and sent to the District Offices and the State Directorates. We are of the view that the quality, reliability, coverage etc. of the above data are reasonably good.

10.2 Other Locally Available Data

10.2.1 In this section we may review certain data sources that are locally generated, but strictly not with the local bodies.

- (i) The Village Extension Officer (VEO) of the Rural Development Department implements a number of schemes such as SGSY and Indira Avas Yojana, Total Sanitation Programme, Old age Pension etc. The VEO also conducts a Total Sanitation Survey. Under the SGSY scheme, soft loans are given to small and marginal farmers by Banks, on the recommendation of the VEO. Particulars about the applicant, his/her assets and details of loans are available in the forms. The coverage of the data is limited. The panchayat is not using this data for any purpose, although the data is reasonably reliable.
- (ii) **The Krishi Bhavans maintain a Data Register** which contains the following information: Area-wise land utilisation such as barren land, current fallow, cultivated land, cultivable waste land, dry land, land irrigated by different sources of irrigation, marshy lands, land under roads and buildings, wet lands, uncultivable forest land, crop wise area details, production and productivity of different crops, cost of cultivation of major crops etc. **Data collection is done mainly by local enquiry. No house to house visits are undertaken. Though the pre-designed questionnaires are supplied by the District Agricultural Office, no training is imparted to the persons collecting the data. There is no system of verifying or updating the data. The data from**

this source has to be made more reliable by suitably modifying the data collection system.

- (iii) The SC/ST Development Departments with the help of the panchayat level SC/ST Promoters/Activists collect socio-economic data on SCs and STs of colonies and settlements.** Data on infrastructure facilities of colonies/ settlements are also collected. The following information are collected: community, household occupation, annual family income, age, sex, marital status, education and occupation of members, ownership of house and housing condition, ownership/possession of land, details of acute and chronic illnesses in the house, sanitation, drinking water and electricity, distances to nearest school, PHC etc. **The coverage of the survey is limited to colonies/settlements of SCs/STs. The data collected are seldom consolidated and hence, not available for the panchayat for use in planning. It may be noted that for local area planning and poverty alleviation programmes the data can be of great use.**
- (iv) Local schools keep a lot of information on students. Enrolment of students according to age, sex and social status, enrolment number of students, and dropouts according to class, class wise pass, number of teachers and other employees according to sex and social group and data on income, expenditure and assets of the school. The data is reliable. The data for the panchayat has to be obtained from the schools and consolidated.**

10.3 Data Sources outside the Panchayat

10.3.1 It is important to note that certain set of data useful for panchayats and municipalities are available within the District as well as at the state level. We may examine them separately.

10.3.1.1 (1) Within the District

(i) Panchayat Level Statistics

10.3.1.2 The Taluk/District Offices of the Department of Economics and Statistics have collected a good deal of data relating to all the panchayats in the state which the Directorate has published in the year 2001, under the title 'Panchayat Level Statistics' for each district. These data include number and type of wards, number of occupied houses and households, and also population, census data, sex ratio, density of population, literacy, SC population, ST population, main and marginal workers, work participation rate and industrial classification of workers classified according to sex. Other details such as number of institutions, communication facilities, category wise electric connections, street lights, drinking water facilities, and details of beneficiaries under the various schemes are included.

10.3.1.3 Most of the above mentioned data are secondary data. The system, periodicity, reliability etc. depend on how the providers of the data collected the same. The panchayats have used only a part of the data for purposes of planning. But it appears that the data after verification and updating can be used with advantage for planning at the panchayat level. The question of creating a data warehouse or Local Planning Data Bank must engage the attention of the government as a priority item.

(ii) Inland Fisheries

10.3.1.4 District Office of the Fisheries Department, using the services of Fisheries Extension Officers, has collected panchayat-wise data on water resources and fisheries and published the data in a book entitled 'District Plan Fish Book'. The data in this book include wet, dry and total area, population and related details, infrastructure facilities, survey number, ownership and area of each water

resource, scientific data relating to fisheries potential of each resource, and details of fish culture activities in the area. We understood that data were collected by well qualified Fisheries Extension Officers in a systematic and scientific manner. The data are reliable. Even so an expert study regretfully notes: “Our investigations proved that none of the LSGIs (Local Self Government Institutions) employed this as part of the planning process”. [Rajan and Hari Babu (2006): 10].

(iii) Census of Small Scale Industries (SSI)

10.3.1.5 In the Census conducted by the Industries Department, through District and Taluk Industries Centres, all registered small scale industries units were covered. Being a Census, SSI Unit-wise data is available. A good deal of information is collected from each unit. These information include type of unit, whether registered under the factories Act, value of assets, employment, source of power, product, gross output of the preceding three years, value of exports if any, etc. These data are the results of a census conducted once in five years. The data are reliable. The condition of each of the units can be studied using this data. It is a good data support for local level planning provided it is periodically updated.

10.4 State Level Data Sources

10.4.1 We may also mention certain major state level data that are of use to the local bodies.

(i) Population Census

10.4.1.1 The Population Census data provide number of households, sex-wise distribution of persons according to age, literacy, whether SC/ST, main and marginal workers, industry-wise classification of workers and so on. Data on

village wise facilities are also collected. Facilities for education, medical services, drinking water, markets, post and telegraph, roads, railways, waterways, bus station, railway station and power supply are also covered. A classification of land according to land use is also possible. The data is reliable and basic. The only problem is that it is decennial.

(ii) Annual Survey of Industries

10.4.1.2 The Annual Survey of Industries is regularly conducted by the National Sample Survey (NSS). The survey covers all factories registered under sections 2m (i) and 2m (ii) of the Factories Act, 1948. They are factories employing 10 or more workers and using power and those employing 20 or more workers without using power. The survey also covers bidi and cigar manufacturing establishments registered under the Bidi and Cigar Workers (Conditions of Employment) Act, 1966, with coverage as mentioned above. All electricity undertakings, engaged in generation, transmission and distribution of electricity, registered with the Central Electricity Authority (CEA) are covered by ASI, irrespective of the size of employment.

10.4.1.3 Very detailed information regarding the production in these units are collected. The information include fixed and working capital investment, outstanding loans, number of employees and workers, salary and wages to staff and labour, provident fund and other welfare funds, fuels, material inputs, quantity and value of products and bye products, value added, depreciation, rent and interest received and paid, net income, Gross and net capital formation, additions to the stock of raw materials, fuel etc., semi-finished and finished goods, capital formation and profits.

10.4.1.4 The data is collected by qualified, trained and experienced investigators. The survey is conducted in a very systematic and scientific manner. The data is good. But the data is not currently available to the panchayats. Moreover this

survey is a census of the units which are large as per the Industries Development and Regulation Act viz. units employing 50 or more workers and using power or 100 or more workers and not using power. A sample of the remaining units (which are covered by the Factories Act) is covered by the survey. It may not, therefore, be possible to provide statistics for panchayats based on the sample. Actually this is not very much needed for local level development planning.

(iii) Economic Census

10.4.1.5 The Economic Census is an integrated approach to collect data from the unorganised segment of various sectors. It covers all enterprises in the non-agricultural as well as agricultural economic activities except crop production and plantation. The items of information collected in the fourth economic census included premises status, description of activity, nature of operation, ownership type, social group of owner, power/fuel used, years of operation, registration, source of finance, total number of persons usually working and number of hired persons classified into male/female and adult/child categories.

10.4.1.6 The system for data collection in the economic census is scientific and systematic. Pre-designed format for data collection is used. Proper training is imparted to the investigators by the Department of Economics and Statistics. There is complete coverage of the enterprises and the data is reliable. The data can be tabulated for the panchayats and made available for local use. The initiative is recommended from the Local Administration Department.

(iv) All India Educational Survey

10.4.1.7 An all India educational survey was conducted in the state. The Director of Public Instruction was responsible for conducting the survey. The data collected in this survey include the name of the institution, location(rural/urban), type of institution(vocational, technical, special, others),

type of management, number of students attending classes sex wise, class wise and social group wise, courses offered, number of teachers - male and female, trained or untrained, fulltime or part time, separately for SC/ST/OBC/Others, number of students who appeared for the examination and number passed class wise, sex wise and social group wise, wastage in school education and so on.

10.4.1.8 The Statistical Wing of the Directorate of Public Instruction conducted the survey. It was done in a systematic and scientific manner. Proper training was imparted to the investigators. All schools are covered. The data is reliable. We recommended that it should be tabulated panchayat-wise and made available for local planning.

(v) Department of Survey and Land Records

10.4.1.9 This department produced land maps/cadastral maps/revenue survey village maps with survey members. Reality survey work has been done/is being carried through maps showing buildings and plot boundaries, roads etc are being produced. These maps will be useful tools for planning and also for digitising and use as a regulatory building permission and tax assessment tool. The panchayat level resource maps were prepared as part of the 9th Five Year Plan. This is a half-finished work. How it can be revived and compared is a matter for consideration.

(vi) Survey of India

10.4.1.10 Survey of India maps generally prepared in 1:25000 and 1:50000 scales gives the general details of the land and the controls. These maps together with Rand V maps of the State surveys and land records maps are useful to the local bodies.

10.5 Data Requirements

10.5.1 The creation of institutions of local government at the district, block and village panchayat level in the rural areas and at the municipality and corporation

levels in the urban areas with the mandate to plan for economic development and social justice through a process of bottom up planning require a wide range of data relating to human and material resources, institutions, production, assets and so on. The existing data collection and management primarily meant for central and state government needs has to be suitably refashioned to the increasing needs of local governance.

10.5.2 We have reviewed the data sources that provide and have the potential to provide ground level data. With good, bad and indifferent quality the entire data build up to suit the growing requirements of decentralised planning and governance needs restructuring to provide adequate, timely and relevant data to the various agencies concerned. **The LDF government took the bold initiative to establish the Information Kerala Mission (IKM). It seeks to strengthen local governance through ICT (Information Communication Technologies) applications. All future data building exercise should be done in consultation with this Institute.**

10.5.3 We may now spell out the major statistics that are required for local planning.

(i) Household Database

10.5.3.1 The local bodies will have to use a wide range of statistics to understand and analyse the present level of exploitation of the resources of the area, assess the possibilities of their further use with a view to increasing production, improving infrastructure and essential service facilities and increasing the employment of the workers thereby increasing income and reducing poverty. **The most essential data required in this context is information about all the households within the jurisdiction of the local body.**

10.5.3.2 Under the plan schemes as well as the non-plan responsibilities, local bodies attempt to formulate and implement schemes and programmes to improve the living conditions or standard of living of the families under their jurisdiction. In order to devise programmes appropriate to each family, it will be for the local government authorities to study the present condition of the family and its members. It is, therefore, necessary to build up a benchmark database of families. **The Thanalur panchayat did a very comprehensive survey which we recommend for adoption by other panchayats with whatever modifications each Gram Panchayat may deem fit. As far as the coastal panchayats are concerned the guidelines and scheme given in Working Paper 12 published by KILA may be used for purposes of modifications. All these should be part of the Samoohya of IKM.**

10.5.3.3 Care has to be taken to collect any information otherwise available with the panchayat authorities, line departments, Anganwadis, Kudumbashree and so on. The services of JPHN, Kudumbashree members, Anganwadi workers or other persons identified by the local bodies may be used for the collection of the benchmark household survey. The training and supervision of the conduct of the survey should be done by the Department of Economics and Statistics. The honorarium for enlisting the services of the people must be paid by the concerned local government. An illustrative list of data requirement for local planning to be collected at the household and departmental level is given in Appendix 10(A).

10.5.3.4 The detailed information thus collected will be the basic data for micro level planning. It will help the panchayat level functionaries to make a broad assessment of the economic status of the household and to identify appropriate economic activities for the members of the household keeping in view the productive resources they possess, their levels of education, the experience they possess and so on. These information will also be of help in assessing the

eligibility of the households/members for the different types of assistance provided by the Government/financial agencies under the various beneficiary oriented programmes.

10.5.3.5 The household data thus created is basic and need to be updated every five years. It is useful not only to the local government but also to the State Planning Board and the various departments at the state level. After all most of the outcomes are best measured at the micro level.

(ii) Agricultural Statistics

10.5.3.6 The term agricultural statistics includes all types of statistics relating to the agricultural sector of the economy. In this wider sense, it includes the people engaged in agricultural work, rainfall, land holdings, land use pattern, area under the different crops, production and productivity, irrigation, agricultural wages, inputs like seed, fertilisers and manures and pesticides, agricultural implements, agricultural wages, irrigation, prices of agricultural commodities and so on. The most important information for the local level planners is the classification of total geographical area under different uses such as:

- ◆ Forests
- ◆ Land put to non-agricultural uses
- ◆ Barren and uncultivable land
- ◆ Permanent pastures and other grazing land
- ◆ Land under miscellaneous tree crops
- ◆ Other cultivable waste
- ◆ Fallow other than current fallow
- ◆ Current fallow
- ◆ Net area sown
- ◆ Area sown more than once

10.5.3.7 The other important area statistics are area under the different crops separately for perennial crops and seasonal crops. In the case of seasonal crops, the gross area cultivated which is the sum of the areas cultivated on the same land during the different seasons should be collected. The yield rates of the important crops also should be obtained.

10.5.3.8 The above data will help the local level planners to assess whether (i) there is scope in the area to increase the area under crops either by bringing more area under cultivation or by multiple cropping, (ii) to examine the possibility of substituting the present crop with a crop which will fetch a higher return per hectare and (iii) to assess the possibility of increasing the yield rates.

10.5.3.9 The present sources of agricultural statistics for the state and the districts are:

1. The Government of India sponsored programme, Establishment of an Agency for Reporting Agricultural Statistics (EARAS) which provides data on land use, area under the different crops and yield rates. Under the scheme, the entire state is divided into 811 investigator zones based on the investigator strength of the centrally sponsored scheme. As per the new design, the area covering one block is divided into a number of Investigator Zones and in each zone, 100 clusters of five survey subdivisions distributed proportionately between dry land and wet land areas in the zone are enumerated and crop cutting experiments (CCE) conducted to estimate production. Production figures are estimated by conducting CCEs for all the major crops which workout to a total of about 100,000. The data obtained from these surveys are also used for assessing the compensation of crop damage under the National Agricultural Insurance Scheme of the Government of India.
2. The quinquennial agricultural census has the following objectives:

- ◆ To arrive at a distribution of land holdings according to size of holding and to assess the incidence of various tenure systems,
- ◆ To study the pattern of land use and the area under different crops
- ◆ To study the agricultural practices and the inputs used in cultivation
- ◆ To estimate the quantity and type of fertilisers and manures used and also to estimate the extent of irrigated area along with the sources of irrigation.

10.5.3.10 These sources do not present data for regions like, blocks and panchayats below the district level. The practice followed in EARAS to enumerate the number of trees in the case of perennial crops needs to be done only once in five years because the areas of such crops (or the number of plants) generally do not vary much from year to year. It is also worthwhile examining whether it will be possible to do the enumeration of perennial trees along with the agricultural census, if necessary, by providing additional staff. If this is done, the existing EARAS investigators will have some spare time which may be utilised for suitably raising the sample size to enable estimation of area and yield of crops at the panchayat level.

(iii) Industrial and other Establishments

10.5.3.11 The National Sample Survey (NSS) conducts regular annual surveys on industrial establishments registered under the Factories Act viz. factories employing 10 or more workers and using power or those employing 20 or more workers and not using power. Units which are large according to the Industries Development and Regulation Act viz. those employing 50 or more workers and using power or those employing 100 or more workers and not using power are completely enumerated while a sample is taken from the remaining industries. This procedure does not permit tabulation of industrial data at the panchayat or block level. As mentioned above, all the larger units are completely enumerated.

After ascertaining the number of smaller units left after taking the sample for the Annual Survey of industries, the possibility of completely enumerating all the units may be examined.

10.5.3.12 A Census of small scale industries was conducted by the Industries Department in 2002-03, through District and Taluk Industries Centres. All registered SSI units were covered. The questionnaire used was very detailed. Information on the value of the assets, production, employment, sales, exports (if any) and so on, were collected. The quality of the data is considered good. The data can be presented, if necessary, at the panchayat or block level.

10.5.3.13 The Economic Census is an integrated approach to collect data from the unorganised segment of various sectors. It covers all enterprises in the non-agricultural as well as agricultural economic activities except crop production and plantations. The Central Statistical Organisation has been continuing its efforts for developing the necessary infrastructure for a sound and reliable database for the unorganised sectors of the economy through the scheme of economic censuses since 1977. At present, the Urban Frame Survey Blocks developed and maintained by the National Sample Survey Organisation, are taken as primary units for the conduct of Economic Census.

10.5.3.14 The following important data can be generated from the Economic Census. This must be attempted.

- a) The number of enterprises-agricultural and non-agricultural- with rural and urban break-up.
- b) The extent of private ownership, number of perennial establishments (enterprises run more or less regularly throughout the year or in a particular season(s) are perennial enterprises), establishments without power and establishments without premises.

- c) Persons usually working in these enterprises/establishments (agricultural and non-agricultural) with a break-up of adult male, adult female and children separately for rural and urban areas
- d) The number of hired workers in rural and urban areas sex-wise under both agricultural and non-agricultural sectors and
- e) The number of enterprises financed by IRDP or such other poverty alleviation programme etc.

1. The Economic Census, the Census of Small Industries and the Annual Survey of industries together cover almost all the enterprises taken together. Efforts should be made to cover completely the registered units which are not covered now. This is essential to build up a fool proof profession tax payers register.

(iv) Health Statistics

10.5.3.15 The Primary Health Centre with the help of the junior staff attached to it conducts as we have already noted an annual survey and collects a good deal of information about the health status and problems such as those relating to child bearing, attitude towards family planning and adoption of such methods, breast feeding and weaning, adolescent problems, geriatric in families, incidence of various diseases, nutritional problems, cases of mental retardation and physical handicaps, exercises, bad habits, if any, such as alcoholism, smoking, chewing tobacco, number of births and deaths within the preceding one year, number of live births, place of birth and type of delivery, details of waste disposal and plastic disposal, details of cattle shed, goat farm, poultry and pig farms, details of pets like dogs, cats and birds, details of public health problems and so on. The details are reported to be available ward wise. So it is easy to get a picture of the health situation in the panchayat by consolidating the data. At present the data are sent to the higher offices and are usually consolidated only

at the district and state levels. Panchayat-wise data should be prepared and made available at the Gram Panchayat level.

10.5.3.16 In addition to the above, as we have already mentioned there will be a good deal of information available in the registers maintained by the panchayats for various administrative purposes. These data can also be tabulated in suitable forms and made available to the higher levels of government as well as the public at large.

10.6 Organisational Arrangements

10.6.1 In order to carry out the responsibility of collection of primary statistics on selected subjects, obtaining and consolidating the statistics relating to the local bodies obtained from state level as well as central statistical agencies and also to process and consolidate the data obtained at the local body level as a by-product of administrative procedures, it will be necessary to appoint statistical personnel, initially at the rate of one person per panchayat and an appropriate number of persons for each of the municipalities and city corporations, after a detailed assessment of the work load involved. These personnel should possess adequate knowledge of statistical work, especially collection of data from individuals, households and institutions, compilation, consolidation and interpretation of the data obtained from different sources and so on. These persons should be at least graduates, preferably in mathematics, statistics, economics or commerce. They should be given detailed training in the various aspects of data collection, scrutiny, tabulation and report preparation. All of them should also be given requisite training in data entry, computer programming and tabulation.

10.6.2 The above statistical personnel should work under the technical direction and control of the Department of Economics and Statistics. Immediate supervision of their work will be done by the Statistical Inspector at the Block

level. The Joint Director of Statistics at the District level will be the controlling officer. The Secretary of the Village Panchayat/municipality/corporation will have administrative control over these statistical personnel without any power to interfere with the statistical work. There should be sufficient safeguards to ensure that the statistical staffs are practically independent so far as the statistical work is concerned. **In a paper presented before the committee the Director of Statistics estimates that 1219 persons will be required to fill the statistical posts necessary in the local bodies of the state with an annual commitment of Rs.13 crore. This cannot be considered prohibitive, especially considering the likely benefits from the improvements in local level planning activities as a result of posting these personnel in the local bodies.**

10.6.3 An assessment of the work load of the existing agencies charged with the responsibilities in the field of collection, compilation and publication of statistics, may have to be done and the extent to which the newly proposed arrangement of posting one officer exclusively for statistical work in the local bodies, will result in a reduction of the work load of the existing agencies may have to be ascertained before taking a decision on the number of posts to be newly created. **We recommend that the State Planning Board may constitute a study group consisting of persons with experience in statistical work to conduct a work study of the Department of Economics and Statistics and the statistical units in the different departments of Government to assess the work load and the number of persons required for that work so that surplus staff, if any, already existing can be identified and redeployed suitably in the local bodies against the newly proposed posts.**

10.6.4 The actual requirements of staff at the local bodies will depend on the new items of work to be done in the area of decentralised planning. While there has been considerable decentralisation of administrative powers to the elected bodies at the local body level, the precise nature of the work they should undertake in

the areas of (i) assessment of the developmental problems and potential of the area, (ii) preparation of appropriate developmental programmes and projects and (iii) their implementation including enlistment of the active participation of the beneficiaries in sectors and activities where such participation will be beneficial, have not been specifically defined. Nor have the necessary guidelines for such activities been prepared and given to them. This may have to be done. In the light of such guidelines, it will be possible to identify the statistics to be additionally collected. It will, therefore, be necessary to issue such clear guidelines to the local bodies and also to define clearly the administrative and developmental duties and responsibilities of all staff in the offices of the local bodies. This is very important in order to ensure uniformity in the approach adopted by the local bodies in respect of their work and responsibilities.

10.6.5 As of now there is no functional relationship between the Department of Statistics and the IKM. This must be strengthened in the future on a regular basis.

10.6.6 It may not be wide of the mark to note here that the Eleventh and Twelfth Finance Commissions have drawn attention to data gaps and building a proper data base. The World Bank/ADB have projects to help the capacity building and data base at the local level. The Local Self Government Department may do well to explore this possibility for getting the needed funding to build the data base.

10.7 Data Bank for Planning Statistics

10.7.1 The various types of information relating to planning statistics collected at present by various agencies and their quality are discussed in the above paragraphs. Methods of collection of such statistics are also reviewed. It is no doubt that building up a good data base is essential for local level planning, for identification of development priorities and preparation of projects and for

effective implementation and monitoring and evaluation of development and welfare programmes.

10.7.2 However, time and again, it has been discussed at various forums that government departments, parastatal agencies and LSGs have a poor track records in data compilation, documentation, analysis, applications and in keeping data records. Data produced by agency for one purpose at one point of time are not shared with any other agency/person. After use at that point of time, existence of that data is ignored and lost in a few years. The same data/information is generated by another agency. Therefore there are duplications of similar work. Data generated is not documented and/or kept under 'safe record' for reference. Data is essentially temporal (related to time). Though data collected at one point of time may be referred for many uses, they are also useful when generating time series data for any further study and research. Such data are very essential. Without such studies and research progress is not possible. These emphasises the need for the following:

- ◆ Collection, compilation and documentation of data generated by various agencies at one data book – made available for reference to any LSG or agency/person.
- ◆ Regular updating of data
- ◆ Making available information to the LSGs and the public on the availability of data and the mode of accessing them.
- ◆ Agency which keeps and operates the data bank or Data Warehouse.

10.7.3 The question of using Block as a Planning Data Bank agency discussed under 9.5.2 may also considered. The matter may be further examined at the government level.

Appendix A

Detailed Sectoral Data break-up

PRIMARY SECTOR

1 Agriculture		
	Household survey	Area and production of different crops, number and area of operational land holdings, land classification, agricultural implements, irrigation facilities- type and source of irrigation, agricultural labourers and their wages- sex wise, their pension if any; status of agriculture households, number and area of padasekharams, Agricultural inputs such as use of pesticides, manures/ fertilizers etc., type of seed, area of land possessed
	Others- line departments, institutions etc.	Distribution of hybrid variety of seeds and plants to farmers, subsidy given to agriculture, vegetable farms,
2 Animal Husbandry & Livestock		
	Household survey	Number of cattle, buffalos, sheep, goats, dogs, pigs, fowls, ducks, other birds etc.
	Others- line departments, institutions etc.	Type of deceases in animals and birds, artificial insemination performed and their payments, infertility details, insurance of animals, details of post mortem performed, stock and induction of medicines, production of meat, egg, milk etc. number of veterinary hospitals and facilities, cattle farms, slaughter houses
3 Fisheries		
	Household survey	Details of fish production at household level, living condition of fishermen households
	Others- line departments, institutions etc.	Data on inland fisheries, number and area of ponds, lakes, rivers and their area, data on fish catching, quantity and value of fish catching; type of fish catches, length of costal area, poultry farms
4 Forest statistics		
	Household survey	Nil
	Others- line departments, institutions etc.	Area and type of forest, revenue collected from forest produce, type of forest produce, no. and type of wild animals, data on forest hunting
5 Mining & Quarrying		
	Household survey	Nil
	Others- line departments, institutions etc.	Data on mining and quarrying of sand, ignite, rocks etc.

SECONDARY SECTOR		
6	Water supply and sanitation	
	Household survey	Type of drinking water facility, sanitation facility, number of houses having drinking water availability, toilet facility etc.
	Others- line departments, institutions etc.	No. of water connection given by irrigation department, sanitation facility in residential areas etc. , Data on major, medium and minor irrigation schemes, command area development projects, check dams etc., water availability in reservoirs, ponds, rivers etc.
7	Power	
	Household survey	Source of energy for lighting and cooking
	Others- line departments, institutions etc.	Number power projects, installed capacity and generation of electricity, number of electricity connections (commercial, industrial and agricultural) and consumption of electricity, number of street lights and their electricity consumption, monthly amount paid by the local body for street lighting
8	Industries	
	Household survey	Nil
	Others- line departments, institutions etc.	Details (number and workers) of handloom societies, SSI units, details of enterprises, data on cottage industries, production in SSI units and other industrial establishments
9	Housing	
	Household survey	Number of houses by type, facilities, value of the building, type of the building, rent value of the houses and other buildings; tax exempted houses, electrified houses, houses having tap water facility etc., housing condition of slum population
	Others- line departments, institutions etc.	No. of houses constructed using subsidy or loan given by govt., banks, Panchayat etc.
TERTIARY SECTOR		
10	Education	
	Household survey	Education status of household members, expenditure incurred on that, persons living abroad/ other states/place far away from house for education purpose etc.
	Others- line departments, institutions etc.	Number of schools and colleges in management wise, number of ITI's, polytechnics, training institutions etc.; Standard wise, sex wise, caste wise (SC/ST/OBC) enrolment in schools and colleges; students and teachers in tutorial/ parallel colleges,

		study centres of universities outside Kerala; sex wise number of teachers in LP, UP, HS, HSS, VHSS, colleges and other educational institutions, facilities in schools, colleges etc.
11	Health	
	Household survey	Health status of members of family, expenditure for treatment, type of medical attention received in the case of death events
	Others- line departments, institutions etc.	Number of medical institutions by type (Allopathic, Ayurveda, homeopathy, Sidha, Naturopathy, yoga etc.) – both in private and government sectors; doctors and beds in hospitals & dispensaries, qualification of doctors; data on morbidity, medicines used, type of family planning measures performed, data on traditional medicines;
12	Transport	
	Household survey	Usual means of transport, availability of vehicles per household
	Others- line departments, institutions etc.	Length of road by type, number of motor vehicles, road tax collected, railway stations and its facilities, number of bus depots (pvt. & govt.), taxi stands and auto stands (both approved and non-approved) etc.
13	Communication	
	Household survey	Telephone & mobile connection availability per household, usage of radio, television, news paper etc.
	Others- line departments, institutions etc.	Number of telephone exchanges, telephone connections, mobile connections, number of post offices, number and amount of money orders issued, etc.
14	Information Technology	
	Household survey	Computer/ laptop availability, IT education status
	Others- line departments, institutions etc.	Number and type of computer institutions (study centres, training centres, internet cafe, software centres, DTP centres and other institutions connected with IT
15	Revenue	
	Household survey	Nil
	Others- line departments, institutions etc.	Building tax collected, entertainment and professional tax, details of expenditure, revenue collected, data on land classification, details of revenue recovery, number and type of certificates issued from the Village Office; revenue from markets, stadiums, various type of clubs etc.

16	Tourism	
	Household survey	Touring habit of household members, amount spend for tourism etc.
	Others- line departments, institutions etc.	Number of tourist places (festival and cultural), their names, number of tourist arrivals (foreign and domestic) - month wise, Income from and expenditure on tourism
17	Public distribution system	
	Household survey	Beneficiaries of PDS
	Others- line departments, institutions etc.	Number of ration shops, ration cards, BPL cards, APL cards, Andhyodaya cards, Annapoorna cards, Maveli stores, Haritha stores, Neethi stores, LPG connection (pvt. & govt.),
18	Banking and Insurance	
	Household survey	Ownership and type of account in private/nationalised banks, insurance taken by household if any,
	Others- line departments, institutions etc.	Number of banks by type, co-operative societies, ATM centres, number of ATM cards issued, number of insurance companies and its branches, outstanding loan and deposits in banks, non banking financial institutions, assets and expenditure, deposits and interest rate, repayment dues, workers and wages, gold deposits, working capital etc.
MISCELLANEOUS ITEMS		
19	Population and vital statistics	
	Household survey	Sex wise, age wise, caste wise (SC/ST/OBC), religion wise population; population of workers, cultivators, agricultural labourers, household industry workers, birth, death and nutritional status of children, data on immunisation; data on physically, mentally, orally and visually challenged persons; data on family planning etc.; marital status of persons, maternal and infant deaths, death by causes, Inland and marine fisherman population
	Others- line departments, institutions etc.	Nutrition and immunisation programme of govt. and its beneficiaries,
20	Employment -unemployment	
	Household survey	Number of persons employed by type of employment and wage per day, data on unemployed persons with reasons for that,
	Others- line departments, institutions etc.	Registrants in employment exchanges and placement given

21	Crime & accidents	
	Household survey	
	Others- line departments, institutions etc.	Number of crimes by type, number and type of accidents, deaths and injuries in accidents, number of persons arrested, number and amount of petties for different IPC and SLL crimes, number of suicides and causes, number of police stations and its strength, no. of cases originated, disposed and pending
22	Prices	
	Household survey	
	Others- line departments, institutions etc.	Monthly/ quarterly average prices of essential commodities, farm commodities etc., livestock products (meat, egg etc.)
23	Projects in Panchayats	
	Household survey	Beneficiaries of schemes (construction of house, toilet, digging of pond, well, etc., buying of cattle, etc.) implemented by Panchayats/ local bodies.
	Others- line departments, institutions etc.	Number and type of projects implemented in local bodies, number of beneficiaries- scheme wise and the value of each project, financial and physical achievements of schemes implemented in Panchayats
24	Environmental statistics	
	Household survey	Waste management system of households
	Others- line departments, institutions etc.	Pollution data, waste management data
25	Income and economy	
	Household survey	Income by sources of households, expenditure on education, living, etc.
	Others- line departments, institutions etc.	Outflow and inflow of income, outflow and inflow of commodities and its value; IT centres, factories etc.
26	Miscellaneous	
	Household survey	Consumption of food, and its expenditure,
	Others- line departments, institutions etc.	Social and cultural institutions, poverty statistics, number of gymnasiums, recreation clubs, health clubs, mobile mortuaries, crematoriums, Kalyana Mandapams, Arts clubs, cinema theatres, drama and music clubs, charitable societies, markets (approved and non-approved), Flats and apartments, petrol pumps, ware houses, ferry/ boat jetties etc, rainfall data, disaster & flood management data

Reference

Rajan J B, and T.P Hari Babu (2006): *Fisheries Sector and Panchayati Raj: Charting a Data Base Interface*, Kerala Institute of Local Administration, Thrissur.

Chapter 11

Towards a District Plan Methodology

11.0 The purpose of this chapter is to outline the broad contours of a district plan methodology. The concept of decentralised planning has been given an institutional framework under Articles 243G, 243W, 243ZD and 243ZE. The Article 243ZE which relates to Metropolitan Planning is not of immediate concern for Kerala. For purposes of district planning the Article which is of prime importance is 243ZD which requires every state to create a committee for district planning. We may quote below the relevant provisions:

- 1) There shall be constituted in every state at the district level a District Planning Committee (DPC) to consolidate the plan prepared by the panchayats and the municipalities in the district and to prepare a draft development plan for the district as a whole.
- 2) The legislature of a State may, by law, make provision with respect to –
 - (a) The composition of the District Planning Committees;
 - (b) The manner in which the seats in such Committees shall be filled: Provided that not less than four-fifths of the total number of members of such Committee shall be elected by and from amongst, the elected members of the panchayat at the district level and the Municipalities in the district in proportion to the ratio between the population of the rural areas and the urban areas in the district;
 - (c) The functions relating to district planning which may be assigned to such Committees;
 - (d) The manner in which the Chairperson of such Committees be chosen.
- 3) Every District Planning Committee shall, in preparing the draft development plan, -

- (a) Have regard to –
 - i. Matters of common interest between the Panchayats and the Municipalities including spatial planning, sharing of water and other physical and natural resources, the integrated development of infrastructure and environmental conservation.
 - ii. The extent and type of available resources whether financial or otherwise;
 - (b) Consult such institutions and organizations as the Governor may be by order, specify.
- 4) The Chairperson of every District Planning Committee shall forward the development plan, as recommended by such committee, to the Government of the State.

11.1 The main ideas that arise from the above provisions which are of immediate concern to us may now be summarized: (1) preparation of a draft district development plan¹² that meaningfully consolidates the plans of the rural and urban local bodies, (2) due regards for spatial planning (3) physical, human and financial resource based planning and (4) proper expert consultation in the process of planning.

11.1.1 It is in this context that we look afresh at the relevance of district plan and the approach for district planning. However district plan is not just a guideline plan to enable the three tier Panchayats and the ULBs to prepare their individual area level plans within a master framework. District Plan is a comprehensive long range development document contributing to the overall development of the district and through that building the development of the state as a whole.

¹² The term used in the constitution is draft development plan and in this chapter and elsewhere in the report we use the term district development plan (DDP) and district plan interchangeably.

11.1.2 The Second Administrative Reforms Commission in its sixth report on Local Governance (2007) states that “the real essence of the district plan has to be in ensuing integrated planning for the rural and urban areas in the district.” This concept of ‘integrated planning’ is perhaps more relevant in Kerala than in any other State. The settlement pattern in Kerala is such that we do not have clear physical demarcation between the settlement areas. The unique dispersed settlement pattern results in a continual development character. Many geographical and historical factors could have caused such a trend. The result is that administrative boundaries between Panchayats and Towns within the district are arbitrary based on population content and certain geographical features. In such a scenario there are quite a large number of activities, infrastructure and amenities which cater for areas transcending the administrative jurisdictional areas. A single local government alone may not be able to address these problems meaningfully. Only a macro level perspective plan can comprehend such wider regional vision of development. In the absence of such a regional level perspective individual local governments often take to a parochial, short-sighted and piecemeal approach in the preparation of annual plans. Such annual and five year plans of individual local bodies result in nothing more than compilation of sets of projects, based on the regulatory framework/guidelines issued by the State Government. They obviously fail to give direction to the overall development process within a district.

11.2 Objectives, Issues and Strategies

11.2.1 Even in Kerala with its pronounced accent on decentralised planning only about one third of the state’s plan resources are spent through the LSGs. The remaining two third of the state’s plan resources are expended through the state government departments and parastatals. All such expenditure for development activities, management of assets, provision of infrastructure and for welfare measures converge at the district. When we discuss District Plan from the

perspective of decentralized planning and development, the District Plan should not be reduced in scope to that of only a sub-regional (district) Plan to enable the LSGs to prepare their individual plans within the framework of a macro level perspective. It may be pointed out here that we do not agree with the guidelines issued by the Planning Commission for the Eleventh Five Year Plan (2007-2012) which says that “the sum total of outlay on district plans in a state may be around 40 percent of the gross State plan outlay”. In our view a District Plan is a long range comprehensive development plan for the district and not a Plan only to integrate expenditure through the LSGs within the district. The district plan shall not be looked upon only as a short term financial investment plan for the district. The district plan should be much more than this and shall aim at the total development of the district. Therefore there shall be only one comprehensive document serving as a district level development guideline and framework for all the LSGs and sectoral agencies.

11.2.2 In what follows we shall try to spell out the major issues which a district plan shall address. The first step and primary concern is to formulate a **Development Vision** and indicate the strategies that follow from it. Based on status studies, past trends of development, physical and human resources of the district, and consultation with local governments and analysis of ‘strengths and potentials’ the district plan should spell out the long term development vision and the major economic and functional roles of the district. Based on the development vision, the long term development strategies to be adopted for the district shall be indicated. These strategies may do well to specifically address the following aspects.

11.2.2.1 Economic Development: District is a unit of the state with defined administrative boundaries and institutions. Since economic development of the state means the sum-total of the economic production in the fourteen districts

within the state, the primary objective of a district plan should be to identify the economic strengths of the district and to initiate steps to promote opportunities for the optimum utilisation of the resources in a sustainable and territorially equitable manner. Any study of the economic potential of the district would require the analysis of the primary, secondary and tertiary sector activities, their potential for development in the district disaggregated into their spatial implications.

11.2.2.2 Sustainable land utilization: All sectoral activities and development actions initiated by human beings have their spatial manifestations and are reflected in the way various parcels of land are utilized. Therefore sustainable development of a district shall aim at a well balanced land utilization policy and spatial structure. The most effective spatial planning aims at:

- Enhancement of the value of land assets;
- Appropriate utilization of land considering their development potentials with due regard for the ecological and environmental values of the various parcels of land within the district; and
- The macro and micro watersheds and eco zones within the district should be identified. Mapping out watersheds and assessing their ecological, economic and social characteristics is essential for creating integrated, sustainable development programmes.

11.2.2.3 Infrastructure Development: The district plan shall include a status study of infrastructure components with due regard to inter-district and inter state connectivity and linkages and relate the same to the movement of people and goods across the boundaries. Considering the anticipated functional role and settlement characteristics of the district, the District Development Plan (DDP) shall propose plans and projects for upgrading of the existing infrastructure and to establish new infrastructure components. Instead of

adopting universal norms and standards for the various infrastructure programmes, it is desirable to identify infrastructure requirements specific to the district for which DDP is prepared. (For e.g.: Since the economic and functional roles as well as the physical and settlement characteristics of Ernakulam and Wayanad districts are different, their individual infrastructure requirements may also be different). District specific analysis and proposals may be required in the study of infrastructure. Intra district equity should be one of the prime considerations in infrastructure planning. The status study planning should be based on the identification of the various lacks, gaps and mismatches.

11.2.2.4 Human Development: Economic and social well being of people is the key focus in any planned development. People are the means as well as the ultimate end of development. Numerous approaches have been taken to measure and quantify human development. UNDP has been publishing various human development indices since 1990 for every country. Of late India has been preparing state-wise human development indices. Kerala has produced a human development report for 2005. Economic status, health, education, social security, marginalised communities (SC, ST and fisher folk), environmental and gender issues have been adopted as the major parameters to decide on the level of human development. Now that Kerala is going to produce district level human development reports they can be utilized for target setting in district level planning. Within the above broad parameters, considerations like skill development, job opportunities, unemployment, quality of work force, high value agriculture, infrastructure penetration, mass media penetration, affluence, foreign remittances, micro finance, social well being, law and order etc. are considered as specific sub-parameters relevant to Kerala. Issue-based and community focused programmes need special consideration in district plans, especially when discussing development programmes for specific target groups

- the poor and the marginalized and deprived groups, such as fisher folk in the coastal districts.

11.2.3 Programmes and not projects: District Plan shall be reckoned as a document of Development Vision and Development Strategies for the district. It shall be a comprehensive long-range development policy document to be subjected to regular review and 'readjustment'. In such a document the emphasis shall be for development programmes at subject level (housing, agricultural development, irrigation, health etc) and development programmes at area level (coastal area development, urbanization and urban development, water bodies, priority development zones etc.) - rather than for identification of specific micro level projects, their costing and means of financing and so on. Such exercises of identification and prioritization of projects and further activities for implementation of such projects should generally be left to the local governments and to the various sectoral departments and parastatals.

11.2.3.1 Without infringing on the rights of the LSGs to identify and prioritise projects it is appropriate to adopt policy choices and indicative planning in the district planning process. This is the context when the importance of strategic planning becomes relevant in District Planning. It may be noted that the Ministry of Urban Development, Government of India has adopted what they call strategic planning approach for preparation of City Development Plan under the Jawaharlal Nehru National Urban Renewal Mission - JNNURM. Perhaps a modified form of strategic planning that suits our requirements may be outlined.

11.2.4 Time frame for District Plans: In terms of time span, it is recommended that every district plan should have two time horizons - Perspective Plan for 15-20 years and Mid-Term Plan for 5 years. The Perspective Plan and the Medium-Term Plan may also identify fiscal requirements for plan implementation with indications of the avenues of resource mobilization for the various programmes.

This medium term plan should be formatted in such a way that it becomes possible for the district panchayats, municipalities, block panchayats and gram panchayats to identify action programmes and projects for Annual Plans prepared at their respective levels. These ultimately may be reflected in the State Budget, which can be disaggregated at the district, municipal, block and gram panchayat levels (Presumably this can find a place as part of Appendix IV of the State Budget).

11.3 An Approach to District Development Plan Preparation

11.3.1 A District Development Plan may have two parts: (a) perspective plan and (b) medium-term plan.

(a) Perspective Plan for 20 years. It shall contain the following components.

- Status Study of the District;
- Development Vision for the district and Development Strategies based on the physical and human resources of the district;
- Policy Plan including Development Guidelines;
- Existing and proposed settlement structure with hierarchy of urban and rural settlements and their functional roles;
- Spatial and sectoral strategies for optimum utilization of resources and exploring the development potentials of the district
- Assessment of broad magnitudes of financial resources required for realization of the various development programmes indicated in the DDP.

11.3.2 (b) Medium - Term Plan for 5 years. It shall contain:

- Prioritisation of development programmes for 5 years;
- Sectoral development proposals and indicative identification of Sectoral Projects, which need to be prioritised for the first 5 years;
- Broad resource requirements for the prioritized development proposals and the scheme of financing the proposed expenditure.

11.3.3 The essential contents of the District Plan noted above enable us to evolve the approach to be adopted for District Planning. The District Plan should spell out the Development Vision and development strategies for the district. Further the Plan document shall be based on the study of the existing settlement structure within the district and may provide a strategy for guided future urban and rural settlement structure with necessary infrastructure support to the population and the kind of economic activities to be encouraged in the district.

11.3.4 The district plan should identify the sectors of importance in the district and the vision and strategies to be adopted for improved performance of the productive sectors and for the development of the infrastructure and service sectors. The most precious and valuable resource of the district is land and a suitable land utilization policy to achieve optimum land use for various uses in a sustainable manner needs to be outlined.

11.3.5 Social amenities (e.g. additional requirement of schools or health facilities etc.), problem-solving measures (e.g. drought prone areas, natural disasters, drinking water scarcity etc.), issue-based planning (poverty zones, potential for new developments etc.) and similar aspects also need to be part of the District Plan. Above all, the District Development Plan should serve as a guiding framework for the Panchayats and Municipalities within the district. The GPs and the ULBs should be able to prepare their Spatial Development Plans based on the conceptual framework in the District Plan. Moreover, the three-tier Panchayats and the ULBs can identify the infrastructure and other sectoral development programmes from the District Plan. This would enable these LSGs to prioritise on the projects to be included in their respective Five Year and Annual Plans. The decentralised process requires that all these be achieved in the district planning process through the democratic consultative process – through

consultations with the local self governments and the stakeholders including Government departments and quasi government organizations.

11.3.6 It needs to be emphasized here that DDP once prepared should not remain a static document. DDP is a dynamic document. DDP and its development strategies should be discussed at specific intervals in the DPC, in the district, block and gram Panchayats and the ULBs within the district. Adoption, review and improvement of DDP would depend on the iterative and relay and re-relay processes adopted by the urban and rural local governments.

11.3.7 The process of preparation of the district plan may be briefly summed up below:

- (i) Based on preliminary studies of the district through secondary data, a Status Report of the district may be prepared. Secondary data collected and collated by the respective sectoral agencies shall complement the preparation of Status Report. The status report shall contain studies on location, area, population, physiography, settlement structure, major activities, broad land utilization pattern, status of infrastructure, data on natural and man-made resources, social amenities and facilities environment and so on.
- (ii) Broad analysis through secondary data and data collected regarding the economic performance of each one of the sectors and identification of the sectors relevant to the district and the sectors which need to be strengthened based on suitability in the district for improved performance. Comparison with the state's economic sector contributions and that of other districts wherever status Reports are available.
- (iii) Preliminary studies on the past trends of performance of the urban and rural local bodies in the district

- (iv) Evolving Development Vision and Development Strategies
- (v) Detailed sectoral studies, development of sectoral visions for the district and sectoral development strategies through the sectoral agencies, analysis and synthesis of sectoral studies by an expert group, identification of sectors which demonstrate higher strength and the strategies to be adopted for ensuring their improved performance
- (vi) Indicative settlement structure and a possible sustainable land utilization pattern and policy for the district
- (vii) Infrastructure development programmes. (Spatially distributed wherever possible).
- (viii) Social infrastructure amenities and facilities
- (ix) Identified communities and special groups in the district who deserve special consideration with their spatial break-up.
- (x) Roles and functions of the LSGs in giving importance in a phased manner to programmes of district level importance
- (xi) Phasing of programme plans and broad estimation of financial requirements for realization of programmes in the first phase of five years together with agency responsibilities
- (xii) Programmes which can be realized through Private Sector Participation and through Public Private Partnership programmes

11.4 Institutional Arrangement for DPC for Preparation of District Development Plan

11.4.1 As required under provision 243ZD of the 74th Constitution Amendment and the state laws enacted in 1994, District Planning Committees (DPC) were constituted in Kerala with the Presidents of District Panchayats as Chairmen and the District Collectors as Secretaries. The District Planning Officer, District Town Planner and District level officers of the other development departments are all functioning as joint secretaries of the DPC. Hitherto the major function of the

DPC was to grant approval for the annual plans prepared by the rural and urban local governments within the district. This activity requires DPC to come together only once in a year. Since DPC functions with the president of District Panchayat as Chairperson, some office space is provided for DPC within the District Panchayat office. However there is no functioning office for DPC. The secretary, as head of revenue administration in the district and as executive District Magistrate, presides over another office. All the joint secretaries are located in different offices as district officers of various Government organizations.

11.4.2 A Pilot study for the preparation of district development plan was taken up for Kollam district by the DPC at the initiative of the State Government, in which the District Town Planning Office took the anchor role. This was like a demonstration mission. This experience is being tried to be replicated in a few other selected districts also. This is to be viewed as a natural progression of the present government's avowed commitment to implement District Plan as exemplified in the Governor's speech dated 16.06.2006 and also in the Budget Speech of the Year. In spite of this, the DPC as an exclusive planning organisation working continuously in the district does not exist. Creating it is only honouring the Constitutional mandate enshrined in Article 243ZD in letter and in spirit.

11.4.3 The Government issued orders along with Guidelines for formulating District Plans in all the districts. A few of the key points in the Guidelines relating to organizational set up are as follows:

- District Plan would be formulated under the directions of the DPC
- There shall be a Special Technical Advisory Committee (TAC) with DPC Chairman as Chairman and District Town Planner as Convener

- DPC shall authorize a Core Committee from within the Special TAC as IDDP (Integrated District Development Plan) Core Committee for Project (District Plan preparation) Implementation and Monitoring
- The district office of the Department of Town and Country Planning would be the Project Implementation Nodal Office and the District Town Planner would be the nodal officer
- Department of Town and Country Planning shall have a Project Cell with a few professionals appointed on contract basis
- The Special TAC may constitute sub committees for various sectors and also for spatial planning.

11.5.4 The above arrangement for the specific purpose of preparation of district plan as a one time task, as shown in Kollam district, may be made functional on a permanent basis. Most of the work regarding the preparation of draft district plan was carried out through the Department of Town and Country Planning. But this arrangement may not create a planning unit to work within the DPC to make it a functional planning body. Now DPC is only a constitutional unit as per the State Acts. Government had earlier constituted State level TAG for evaluating the annual plan projects of the local self governments and recommending to the DPCs for approval. In May 2008 Government have reconstituted this arrangement as Regional level TAGs for evaluating and approving 11th five year plan projects and 2008-09 annual plans and recommending for approval to the DPCs. DPC thus becomes only a meeting authority for granting statutory approvals for district plan, five year plan or annual plan as recommended by other groups. Planning functions within the district thus becomes a one time action.

11.4.5 If we reckon DPC as a statutory body created under laws enacted under 73rd and 74th Constitution Amendment and the Kerala Panchayat Raj and

Municipality Acts for planning functions, this body should also have an organizational set up with or without deployed staff. Ad-hoc arrangements as are happening now will not serve long term goals. The organizational arrangements for DPC need exclusive studies. However, we recommend certain actions which would result in the creation of a Planning Unit within the DPC and make it change its role from an annual plan approval body of the LSGs to a functional planning body of the district, with the district office of Department of Town and Country Planning providing technical expertise and complementary support.

11.5 Recommendations for strengthening the DPC

11.5.1 The organizational structure of DPC in order to make it a functioning planning unit requires wider discussions. However, a few suggestions are made here to begin the process of strengthening of DPC by creating a permanent Planning Unit (PU) which can attend to the following tasks:

- Arrange for the scrutiny, obtaining of recommendations from the technical group and approval of the annual plan projects of the LSGs.
- Initiate the planning process for the preparation of the District Plan, convene stakeholder consultation meetings and the various plan preparation committees and coordinate the process of District Plan preparation.
- Collect and collate data for District Plan and arrange for preparation of required maps and reports with guidance and assistance from the Department of Town and Country Planning. In Chapter 10 we have made an elaborate review of the existing data system and have given several suggestions for building a Planning Data Bank or Data Warehouse for decentralized governance.
- Prepare the various stages of the District Plan documents, arrange for consultation meetings and arrange for approval of the draft District Plan.

- Review the District Development Plan, identify plan priorities and advise and guide the LSGs for including the plan priorities in their respective plans and for projectising the identified priorities.
- Monitoring of Plan implementation.

11.6 Towards a Methodology for the Preparation of District Plan

11.6.1 The institutional arrangement for the District Planning Committee (DPC) needs to be discussed in detail and decisions have to be adopted for action. (See section 11.5). However, in the discussions below on the methodology for the preparation of District Plan, an ad-hoc arrangement for District Plan preparation is mentioned.

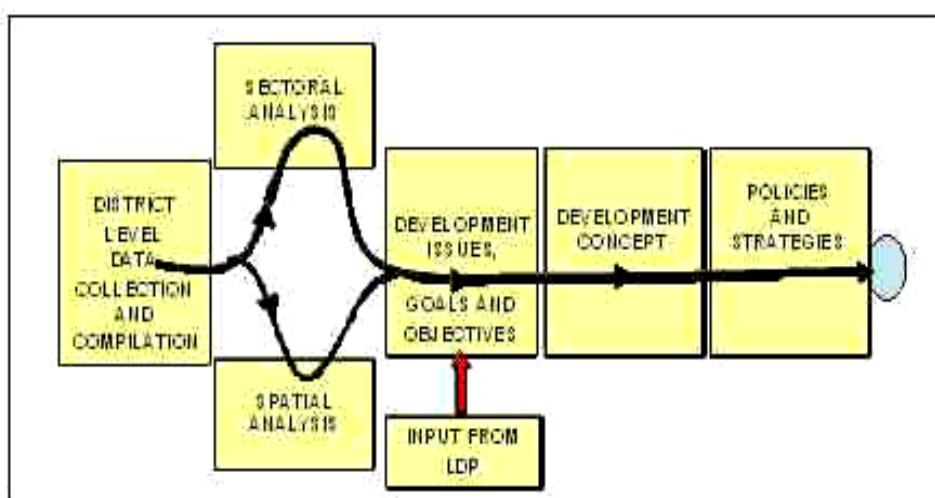
- (i) The Project Cell for IDDP constituted in the Department of Town and Country Planning shall attend to the preparation of Toolkit for District Planning, act as a training cell, monitor the District Plan preparation functions in all districts and intervene and render assistance/ guidance when required by the DPC. **The plan preparation exercise should be undertaken by and in the DPC.**
- (ii) **As envisaged in the Acts, District Plan shall be prepared under the leadership of the DPC. To enable this, a nodal planning unit shall be constituted within the DPC.**
- (iii) The District Planning Office (of the State Planning Board), which now functions as a statistical unit providing assistance for monitoring expenditure on plan projects at the district level, shall be made to work as part of the DPC. In addition to this, a few other essential professionals should also be sanctioned to the DPC to work in the planning unit.
- (iv) These professionals in the Planning Unit shall have adequate training in district planning – not only in the methodology and process, but also in the theoretical concepts and approach.

- (v) District level Coordination Committee for District Plan may be constituted with the DPC Chairman as Chairman, Mayor of Municipal Corporation (if available in the district) as Co- Chairman, District Collector as Vice Chairman, Presidents of the Gram Panchayats and Municipal Chairmen, and the District Town Planner as members. The DPC member in charge of the Planning Unit within the DPC shall be the Convener.
- (vi) **A professional expert committee shall be constituted in the district to carry out inter-sectoral studies and analysis and for synthesis of the sectoral studies. This expert committee shall consist of an eminent town/regional/spatial planner, one economist, one senior engineer, one sociologist/social worker, one senior agricultural officer/ professor of agriculture, and one geographer. These experts can either be serving professionals or retired professionals, but shall have proven expertise.**
- (vii) Sub Committees/ Special Technical Advisory Groups may be constituted for the 19 sectors as already ordered by Government except that for the sector 18 on Finance, which shall be renamed as Economic Development and Finance, an economist serving or retired may also be nominated. Similarly, the 19th sector on Spatial Planning shall have the Town Planner of the Planning Unit in the DPC as the Convener and the District Town Planner as member.
- (viii) The project of preparation of District Plan in all the Districts shall be coordinated and monitored by a State Level Advisory Body consisting of experts, elected representatives, including MPs, MLAs besides LG representatives. The State Project cell for IDDP mentioned in para (i) shall be the technical arm of this State level advisory body and it shall function as an independent office.

- (ix) An action programme for the implementation of the project of preparation of District Plan in all the Districts, within a year shall be prepared.

11.6.2 An illustrative abstract of the district plan preparation methodology is given in Fig 11.1 and Table 11.1

Fig.11.1



(This diagram is adapted courtesy Kollam DD Plan)

Table 11.1
District Plan Preparation Methodology Highlighting the Process

No	Process	Responsible Group	Details/Participants
1	Collection of Local level and District level data	Planning Unit (PU) in the DPC , Sectoral subgroups /Subject wise TAGs and LSGs within the district	To be collected from secondary sources-books, study reports, project reports, Municipal and Gram Panchayat reports, published studies on various development sectors/subjects in the district, sectoral studies, statistical data collected/compiled by the sectors, past project and investment trends-Lead Bank Report etc. Development report of the LSGs

			& the sectoral data available with LSGs etc. Once the Planning Data warehousing suggested by us is accepted the data problems could be considerably solved.
2	Data Analysis 2.1 Sectoral analysis 2.2 Spatial analysis 2.3 Preparation of status paper	PU in the DPC and Sectoral subgroups /Subject wise TAGs	Supported by the Department of Town & Country Planning and the District Planning Officer of the State Planning Board, Office of various departments in the districts STEP - 1
3	Envisioning process and preparation of Draft Vision 3.1 Identification of development issues and setting up of goals and objectives 3.2 Formulating development concept 3.3 Framing general policies and strategies	PU in the DPC	DPC members
4	Ensuring participation of Local Governments 4.1 Consultation of Draft visions 4.2 Consolidation of proposals	To be arranged by DPC	LSGIs
5	Discussion of Draft Vision with the Stakeholders	Stakeholder consultations to be arranged by DPC	(i) District level officers of the sectoral agencies (ii) Municipal & Panchayat functionaries (iii) Representatives of the Trade & Commerce, agriculturists and other major sectors in the district (iv) Professional Groups
6	Discussion of Draft Vision with the State Planning Board	To be arranged by DPC	State level Sectoral agencies, State Planning Board etc
7	Improvements to Status Paper and Draft vision and publication	PU of DPC, District Town Planner and Dept. of Economics & Statistics	

8	Finalisation of Draft Vision	PU of DPC	STEP - 2
9	Sectoral detailing and documentation 9.1 Projections 9.2 Framing of detailed policies, sectoral suggestions and proposals	Sectoral subgroups/Subject wise TAGs	Supported by the Department of Town & Country Planning and the District Planning Officer of the State Planning Board, Office of various departments in the districts STEP - 3
10	Presentation of sectoral documents Presentation of Spatial Planning Document	Discussions to be arranged by the district level coordination committee	Professional Expert Committee, Subject wise sectoral TAGs, Municipal Chairmen and Secretaries, Panchayat Presidents & Secretaries, Standing Committee Chairmen of Municipalities & Panchayats
11	Inter sectoral linkages/impacts, for improvements based on stakeholder consultations and integration with Spatial Planning proposals	Professional Expert Committee, District Town Planner and PU of DPC	Further consultations if required for clarifications and improvement
12	Preparation of Sectoral Documents with status issues, potentials for development, sectoral development vision and strategies (short, medium & long term) for problem mitigation and development	Professional Expert Committee, District Town Planner and PU of DPC	In consultation with the respective sectoral agencies
13	Presentation of draft sectoral documents and Spatial Planning proposals	To be arranged by Chairperson, DPC	District level coordination committee, Sector wise TAGs Municipal Chairmen and Panchayat Presidents
14	Preparation of Draft District Plan	PU of DPC & District Town Planner	Professional Expert Committee when required
15	Presentation of Draft District Plan to DPC	PU of DPC & District Town Planner	
16	Improvements and Finalisation of Draft District Plan based on suggestions from the DPC	PU of DPC & District Town Planner	Consultation with subject experts if required STEP - 4

11.6.3 As mandated by the Constitution [See Section 11.0] the chairperson of every DPC has to forward the District Plan to the State Government. The State may place this before the State Development Council.

Chapter 12

A Decade of Capacity Building for Decentralisation and the Contours of the future

12.0 Most discourses on decentralization begin or end up with the need for its pre requisites to be in place to function in a sustained manner. One of the major prerequisites is ‘the building of capacity’ or capability both human and institutional. A lot of questions come up such as what it is, whose capacity we are talking about, what are its components, when do we develop it and by whom. The ‘big bang’ decentralisation process in Kerala, often been criticized for not developing capacities before the launch of the decentralization processes. But, then the proponents of the ‘big bang’ approach for decentralisation in Kerala have pointed out that the capacities could follow the decentralisation process as is in the case with all other prerequisites through a process of learning by doing. Since then several new national flagship programmes are put on to the shoulders of local governments which need extra capabilities for undertaking and implementing them. This chapter is an attempt to look at the efforts undertaken in Kerala in building capacities over the last one decade and to suggest improvements to meet the growing challenges of decentralisation.

12.1 Capacity Building

12.1.1 Capacity building is defined in many ways depending on the context. Though many of the definitions were not developed in the context of decentralization, we may spell out three viz. that of UNDP, Oxfam and CIDA which we thought relevant. The UNDP defines capacity development as *‘the process by which individuals, groups, organizations, institutions and societies increase their abilities to: 1) perform core functions, solve problems, define and achieve objectives; and 2) understand and deal with their development needs in a broad context and in a sustainable manner’* [UNDP, (1997)]. According to Oxfam: *‘capacity building is an*

approach to development not something separate from it. It is a response to the multi-dimensional processes of change, not a set of discrete or pre-packaged technical interventions intended to bring about a pre-defined outcome. In supporting organizations working for social justice, it is also necessary to support the various capacities they require to do this: intellectual, organizational, social, political, cultural, material, practical, or financial' [Eade, D. (1997)]. CIDA (1996) defines capacity-building as “*a process by which individuals, groups, institutions, organisations and societies enhance their abilities to identify and meet development challenges in a sustainable manner*” [CIDA (1996)]. The common aspect underlying these definitions is that it is viewed as a dynamic process which is multidimensional and has various components, all enabling the societies to enhance their own capabilities to identify and meet the development challenges by themselves. Of particular importance to us in the context of democratic decentralisation is the Oxfam perception of seeing capacity-building as an integral part of the approach to democratic development based on justice.

12.1.2 The stakeholders and actors of democratic decentralisation are many and in a nutshell may be classified as elected representatives, officials, support systems and above all the Gram Sabha, which is the all-inclusive group of citizens themselves. Thus the capacities of all of them need to be developed in order to build up an efficient and effective decentralised system of governance.

12.1.3 If one is to go by the definitions of Oxfam and surely that of the others too, capacity building for decentralisation is far beyond trainings, as it is understood today. In addition to training, the components of capacity building for decentralisation include various enabling factors like the relevant Acts and rules, powers including the three Fs – functions, funds and functionaries, systems and human resource development and institutional capacity building and above all building democratic practices at the local level. It is here that the capacity

building efforts in the decentralization processes in Kerala stands out or should be made to stand out.

12.2 A Review of Capacity Building

The capacity building exercise, like the decentralised regime itself can be broadly classified into three phases: Pre-PPC, the transition and institutionalisation.

12.2.1 Pre-Campaign Phase

12.2.1.1 The People's Plan Campaign was not a brand new exercise or a bolt from blue. We say this because the conformity legislations (the Kerala Panchayat and Municipality Acts of 1994), the creation of several institutions mandated by the 73rd /74th Amendments, the transfer of powers and authority to the lower levels however haphazard and halting that may be, the elections to the local bodies in 1995, and so on set out the initial back drop. Capacity-building was not the key concern of this phase.

12.2.2 The Campaign Phase

12.2.2.1 As we have outlined in Chapter 4, PPC set in motion a multi-stage process of decentralised planning the details of which have to reach all the GPs, BPs, DPs and ULBs. Indeed it was the campaign phase, which brought in the importance of capacity building in the process of decentralisation to the centre stage of the dynamics of decentralized planning. The campaign touched upon the various preconditions for decentralisation, the major inputs for which came from the Sen Committee. More over new concepts, methods, conventions and practices have to be evolved. The PPC generated a plethora of literature, guidelines and documents to set the process alive and kicking through training and capacity building.

12.2.2.2 Obviously the training programme has to be related to the decentralised participatory planning in the state which as we noted had a step-wise approach. Every step and stage was preceded by training programmes which were cascading, decentralised and depended a lot on volunteers. Target groups varied in each step and this change was based on the tasks and activities in each step in the planning process. Many experiments were also attempted like the KRP-DRP (Kerala Resource Persons and District Resource Persons) trainers chain, Panchayat to Panchayat training programmes, trainings by academic institutions and universities, hands on training support through mobile field teams, video based trainings etc. All these were planned and designed by the People's Plan Campaign Cell in the State Planning Board. **Although not consciously the Oxfam definition of capacity-building was being put into practice in this grand design of training.**

12.2.3 The Transition Phase

12.2.3.1 Direction towards insitutionalisation of these capacity building initiatives was set in by the Sen Committee which identified Kerala Institute of Local Administration (KILA) as the designated lead organisation for capacity building for decentralisation. During the final stages of the Campaign, KILA started closely collaborating with the State Planning Board (which so far had been managing the campaign) in organising, coordinating and financing numerous training programmes that were being organised as part of the People's Plan Campaign. This process was further strengthened by the project known as Capacity Development for Decentralisation in Kerala (CapDecK) which was a collaboration of KILA with the Swiss Agency for Development and Co-operation (SDC), the latter providing the financial support as grant. A capacity-building strategy was also developed during this stage.

12.2.4 Institutionalisation

12.2.4.1 The transition of capacity building from campaign to an institutionalised mode took full shape during the Tenth five-year plan training programmes for local governments. KILA was involved in all the stages of training programmes including module preparation, training of trainers and actual conduct of the training programmes. From then onwards KILA has been the nodal agency for capacity building for decentralisation, as suggested by the Sen Committee.

12.2.4.2 The various training initiatives during and after the campaign have definitely contributed a lot to building capacities at the local level. Though one may have difference of opinion on the levels of quality, the various systemic changes which took place after the Constitutional amendments and the People's Plan Campaign got established at the local level with the support of the capacity building initiatives. But for these, the government orders, circulars, guidelines, Acts and Rules would have remained on paper. Panchayats have demonstrated that they could prepare Development Reports, conduct development seminars, institute working groups and implement annual plans. They are also able to manage the day to day affairs of the Panchayats. Conduct of Gram Sabha and various other processes involved in Panchayati Raj are being managed by the local functionaries. It is to be noted that when the decentralization process and the People's Plan Campaign started, this was not the case. During this period, many Panchayats were able to come up with new and innovative initiatives. Their exposure to various topics and thematic areas during the five years in office has been very high indeed.

12.2.4.3 As regards trainings, a system has evolved which although started in a campaign mode, later on got institutionalised. Various handbooks and many booklets and documents were made available to the local functionaries.

During this process, a strategy for capacity building for decentralisation was developed which focuses on a decentralised training system under the leadership of KILA. KILA provided the first round of trainings to the entire group of elected representatives within one year after elections in 2005. This does not mean that everything was fine. It demonstrated that if there is a will, there is a way.

12.2.5 Kerala Institute of Local Administration (KILA)

Over the years KILA emerged as the nodal institution for training and capacity building for decentralisation in Kerala. KILA caters for both rural and urban local governments. Apart from the routine and regular training programmes, it has also ventured into various related programmes like the certificate course for elected representatives, Panchayat to Panchayat training programmes, sectoral trainings, joint programmes for the elected as well as the officials, gender trainings for the local functionaries and special training programmes for the SC/ST and women elected members. The specialised trainings on Jaagratha samithies and Women's status studies organised by KILA in collaboration with various organisations and the State Women's Commission are also noteworthy. It also organises national and international training programmes, provides consultancy services on local governance and does field studies so as to feed into further training programmes. Meaningful and effective training is possible only with systematic and purposive research both theoretical as well as empirical. KILA has to make substantial progress here.

12.2.5.2 KILA has excellent training infrastructural facilities. The training block is a three storied building with seven spacious lecture halls and two air-conditioned conference halls. This shows the tremendous physical potential of KILA to run several training programmes at a time. There are two well furnished guest houses in the campus of the Institute for providing boarding and lodging facilities to 200 participants. KILA is equipped with modern training

equipments like LCD projector, overhead projector, film projector, slide projector, TV, VCR, etc. KILA has a computer centre which is networked with the computers of the Faculty and Administration. There is a computer lab for conducting training programmes on e-governance. Online monitoring system is a web-based system enabling anyone from anywhere in the world to access details of the training programmes organised by KILA. This is aimed primarily at monitoring training activities taking place in all the 14 districts in Kerala for the functionaries of decentralized governance. Apart from monitoring the decentralised training activities, the site will also provide details of the evaluation done by the participants about the various training programmes. Modern communication media like Email, Internet, Fax, Telex and Computer are installed in the institute to facilitate easy access to any part of the country/world.

12.2.5.3 KILA Library has a particular focus on Panchayati Raj, decentralised planning, poverty alleviation, rural development, urban development and management. The library has a collection of over 10,000 volumes of books and over 200 journals focussing on thrust areas. Presumably the library needs more books on theory of decentralisation, fiscal decentralisation, local democracy and so on. Efforts are on the anvil to develop the library as a full-fledged information centre on local governance, with state of the art facilities like computer and Internet.

12.2.5.4 Recreation facilities have been developed in the campus for indoor as well as outdoor games. There is a multipurpose auditorium where participants can play shuttle, badminton, table tennis, chess, etc., and watch TV. The hall is also utilized for cultural programmes. KILA is endowed the beauty of the sprawling lawns, nature's beauty, idyllic landscape and an array of flowering plants. Participants may find delightful ambience with in the campus with lush green beautiful gardens namely Buddha Park, Green Park, Eden Gardens,

Shalimar Baag and Vrindavan gardens. The atmosphere is ideal for morning and evening walk and jogging.

12.2.5.5 The current staff strength of KILA is 42, comprising of 6 academic, 7 technicians, and 29 administrative personnel. KILA has developed the capacity of 13 district implementing Institutions in order to conduct decentralized training. Some of these district implementing institutions are State government owned institutions, some by District Panchayats and others are owned by NGOs having experience in training the local government functionaries. KILA has created a pool of eminent extension/guest faculty members in different subject areas to undertake the district level training programmes. **But there is an obvious lack of a cadre of permanent faculty specialised in the various aspect of decentralised governance, democracy, development and local politics. KILA has a track record of conducting intensive trainings on local governance. During 2007-08, it has conducted 217 batches of centralised trainings covering 8,717 participants and 825 decentralised trainings covering 93,110 participants. Total man days covered are respectively 27,363 and 130,360. Although much remains to be done these are impressive numbers.**

12.3 Other Training Institutes

12.3.1 There are other institutions like the State Institute of Rural Development (SIRD), Extension Training Centres (ETCs) and the Institute of Management in Government (IMG). SIRD and ETC provide training to local government functionaries and field staff on programmes related to rural development. IMG focuses on officials at higher levels though on certain thematic areas, it provides training to elected representatives of the local governments too.

12.3.2 State Institute of Rural Development (SIRD)

12.3.2.1 The Institute has the facility to conduct four trainings simultaneously in the four well- equipped classrooms, including one A/C Room for Video-conferencing. Two guest houses in the campus can accommodate about 100 participants and having a multi-purpose auditorium that can accommodate 600 persons at a time. It has a hostel which can accommodate 50 trainees at a time. Another hostel the capacity of 50 inmates has been sanctioned by Government of India.

12.3.2.2 SIRD is equipped with modern training equipments like LCD projector, overhead projector, film projector, slide projector, TV, VCR, etc. SIRD library has a collection of 5000 volumes of valuable books on rural development, poverty alleviation, decentralised planning, women development, management, entrepreneurship development etc. The library subscribes to more than 24 periodicals and five popular magazines on rural development. The library offers its services to researchers, SIRD trainees and other students and research scholars from various colleges and Universities who are doing studies on the different areas of rural development.

12.3.2.3 Considering the vast changes that took place in the field of information technology, it is very much essential to acquire minimum working knowledge in computers. Keeping this in view, SIRD introduced training programmes in computer applications for government officials from the block offices. These programmes are (i) a basic introductory training programme for two weeks and (ii) a refresher training for four days.

12.3.2.4 SIRD, Kerala is one of the few institutions where Government of India have installed video-conferencing facility. The objective of this facility is to widen the reach and coverage of training. It also enables the institute to be a storehouse

of knowledge and doubts can be cleared with the participants sitting at the respective places. Expertise can be shared and accessed from different places. Faculties of national institutes like NIRD, MANAGE etc., regularly use this medium to address the participants of this Institute. The staff strength of SIRD is 19, one Director, five Faculty members, five technical hands and 8 administrative staff.

12.4 Role of Academic Institutions and NGOs

12.4.1 During the Campaign period, there were efforts in roping in academic institutions and universities for providing trainings to Panchayat functionaries on the respective thematic areas. Medical colleges, SCERT and Agricultural University were some among them. In fact, the Agricultural University even started a special cell to look after these affairs related to capacity building for elected representatives. But, most of these activities did not sustain after the campaign.

12.4.2 A few NGOs have also been active in supporting local governments through training programmes and related local level activities. IRTC, Grameena Patana Kendram, Centre for Rural Management, Maithri, Sakhi women's resource centre, Sahayi, SEWA, Santhigram, Rasta, Shreyas, SEDS, CED and KIMS need special mention. Apart from training, some of them have been helping Panchayats in developing new initiatives and setting up better governance systems.

12.5 CapDecK

12.5.1 Starting with the support for the transition from a campaign mode of capacity building to an institutionalized form, through the collaboration between Kerala Institute of Local Administration (KILA) and SDC, the KILA-CapDecK project developed a decentralised training system under the leadership of KILA

and platforms for sharing and exchanging experiences and suggestions on decentralisation.

12.5.1.1 The CapDecK Programme also supported people driven and people centred decentralised democratic governance by supporting the citizens and their democratic bodies to play a more pro-active role in local development. These interventions were carried out through Panchayats, NGOs, academic institutions, local government associations, Kudumbashree Mission, State Women's Commission and various other civil society organisations.

12.6 Issues of Concern

The experience in Kerala shows that just by an institution taking over as the nodal agency for conducting training programmes, the project of capacity building neither gets institutionalised nor make it fully focussed. We raise some concerns below.

1. The campaign approach with its sheer magnitude and size could only make general exposure and orientation. Skill development and effective training have eluded the local government functionaries in the state. Effective democratic practices and purposive local development practices have been conspicuous by their absence. During the Tenth Five Year Plan, KILA under the CapDecK Programme tried to address some of the issues. Even so, the need for improvement in the content and quality of trainings is clear. This plays a major role in the quality of planning, implementation and monitoring elaborated in most of the other chapters.

2. The focus of the People's Plan Campaign was on decentralised planning. It ignored to a great extent the need for capacity building on good governance including Panchayat office management, accounting and on the broad theme of local self-governance and local development politics itself. Though there were some attempts by KILA to address this issue, it has not been

mainstreamed or successful to produce visible impact. A few NGOs like Grameena Patana Kendram and the Centre for Rural Management also have tried to address these issues under the CapDecK Programme and have developed various models on these, but they are yet to be up scaled and mainstreamed so as to emerge as a critical mass.

3. Even in the case of training programmes on local planning, the trainings focus on the various bureaucratic steps in the planning process as given in the guidelines of the state government. But, there is no specific capacity building with regard to how planning could be done making use of data and information through a participatory process using various tools and methodologies of planning. The concerned handbooks and modules too lack this element. They also fail to bring in the theory, philosophy, politics and economics of democratic decentralisation. We have to recognise that even in this country there is a woeful lack of original theory with reference to rural decentralisation, fiscal decentralisation to sub-state level governments, local politics and so on in the context of the 73rd/74th constitutional amendments. **KILA should take some initiatives to fill this gap.**

4. The highlight of the Kerala decentralisation programme is the active involvement of the volunteers and they were mostly involved as resource persons at various levels for providing training. Though this approach was successful during the campaign period, almost similar approach later did not produce the desired impact. Thus, the trainers failed/fail to motivate and develop skills of the local government functionaries and help them to address the issues of local governance in a much deeper way. Trainers so far have been **generalists**. Even those who are specialists in specific topics, they mostly lack the training skills. All these add to the issues of quality mentioned earlier.

5. Another important comment made by some local functionaries was that the presidents, secretaries and to a lesser extent the standing committee chairpersons received training on a regular basis on many topics and themes. **But, the other**

elected members as well as officials in the Panchayat were excluded. The focus was more on Gram Panchayats. Block Panchayats, District Panchayats and the DPCs received lesser attention. The quality of plans and functioning of these bodies justifies this comment.

6. District Planning, spatial planning, sectoral planning, budget-making and so on are specialized areas. Capacity Building in such areas should be given to select key persons only. The functionaries of the nearly 220 GPs in the coastal zone may be given a course in disaster management. Given the new role we have recommended for the Block Panchayats, the elected representatives and officials of BPs may be given specialized training [See Chapter 10].

7. The local planning exercises and the management of the transferred institutions require sector specific trainings. The Campaign and later the KILA have acknowledged this need and have responded with the required training programmes. But, as already mentioned these programmes lack quality and quantity as they fail to develop skills and transfer the required up to date knowledge on the sector. More over, these are not integrated with the departmental capacity building initiatives.

8. It was pointed out by many stakeholders that what they require is continued and regular trainings which should include follow up and lessons for day to day action. Due to many reasons, these are yet to be addressed in a systematic way.

9. There is also the issue of duplication of trainings by various institutions for the same group of stakeholders. Sometimes, they fail to give uniform message too. This is a major fallout of the lack of coordination between institutions engaged in training. Efforts should be made for better coordination.

10. It is surprising to note that no serious evaluation or impact assessment has been done so far on capacity building. The training monitoring system already developed by KILA under the CapDeck Programme is yet to be fully operational to show results. This is a serious deficit.

11. This chapter has touched only on the capacity building for local functionaries including elected representatives and officials and does not address the capacity building needs at the **civil society** levels. In fact, this issue has not been addressed after the early part of the People's Plan Campaign. Only a few NGOs have tried to address this, but that too at a very limited and localized way. It is a matter for consideration how this problem can be addressed.

12.7 Towards the Future

12.7.1 It is to be noted that the number of people to be trained is very large. It covers elected representatives of the 1215 local self-government institutions, their officials and staff and the officers transferred to the local self-governments as well as the electorate itself. More than 20,000 elected representatives, around 15,000 officials of the local self-governments, and more than a lakh of employees of the transferred institutions have to be regularly trained on a broad range of topics covering almost every aspect of development and governance. This is a challenging task which must be taken up as a grand strategy of training and capacity building by the State government. The Oxfam strategy of visualising capacity building as part of the approach to development is the key.

12.7.2 The already existing draft **strategy needs to be revisited**. To quote from it, "The vision that guides the formulation of this strategy is of a decentralised, efficient and effective, institutionalised capacity development system that is running independently after a period of 5-7 years and (1) is capable of catering to all training needs for decentralisation in the State; (2) is owned by the stakeholders, in particular the local self-governments; and (3) disseminates uniform and validated contents on the relevant aspects of local self-governance". This is still valid and very relevant. It should also include a clearer operational

mechanism including Monitoring and Evolution and resource mobilisation. A few suggestions are given below:

1. *Training Needs Assessment (TNA)*: A regular training needs assessment which should be preceded by training evaluation and impact assessment on a periodic basis should be made mandatory. This should include field studies and feedback mechanisms. The annual and five year training plan for the state as a whole should be based on this TNA.
2. *Decentralised Training System*: Decentralised training system needs to be institutionalised. It must not be on an adhoc basis. The District and Block Panchayats could be brought into provide the facilities for training programmes at the district and sub district levels, under the supervision of the DPC. **Ownership by the local government associations** is crucial for an efficient training system. There must be a mechanism to register demand, provide appropriate supply, feedback and corrective steps.
3. *Inter Agency Coordination*: Coordination between several agencies involved in similar capacity building activities needs to be ensured. In this case, role clarity among the key institutions has to be defined. **KILA and SIRD need to work together if not be brought under a single umbrella. As the potential number of trainees and topics are large, a well-structured and coordinated approach is necessary and available resources have to be utilised optimally, avoiding duplication.**
4. *Skill development*: The large demand for skill development and knowledge transfer, especially with regard to sectoral planning and management of institutions, should be addressed. Data management and data based planning should be a priority area for capacity building. [See Chapter 10].
5. *Prioritisation*: Training plan should consider some prioritisation in the case of topics and target groups.

6. *Trainers:* Selection of trainers has to be done prudently to address the issues discussed earlier. While generalists might still be required for certain trainings, what are needed more at the moment are the specialists who could provide specific support on planning and governance. These specialists should be able to incorporate the concept of Panchayati Raj in their trainings. The concept of training teams instead of mere trainers need to be brought in where experts, generalists and local practitioners come together.
7. *ToT:* The most important part of the training system is the Training of Trainers. The methodology, pedagogy, training tools, subject, quality etc have to be monitored. Training of trainers has to be made mandatory and this has to be not only on the thematic areas but also on pedagogy and training methodology. This should also incorporate the spirit, values and philosophy of democratic decentralization/local governance and motivate the trainers to incorporate these into their training modules and curricula. Instead of becoming lecturers and teachers, they should be groomed as real trainers. Exposure visits of these trainers have to be incorporated into the ToT. The trainers should have regular up gradation of knowledge and skills.
8. *Modules and Handbooks:* Modules and handbooks have to be redrafted so as to help the local functionaries in adapting the knowledge shared to their local situations. These modules have to be prepared well in advance and should undergo rigorous evaluation prior to circulation. A system has to be in place for such activities. For quality and uniformity, it is necessary to have well-structured and detailed course modules and clear training plans explaining the pedagogy. Class room training needs to be supplemented by simple but comprehensive manuals to guide practice. In the long run, there should be common and different curricula, modules and handbooks depending on the thematic area, geographical area of the participating

Panchayats and the category of stakeholders. It has to be ensured that they are not too prescriptive. The handbooks should help the local functionaries to develop and innovate ideas appropriate for local conditions. Cross-cutting themes like local democracy, gender, marginalised communities and environment must be addressed in all of them.

9. *Focus Areas:* Apart from planning and general management areas, focus now should be given to service delivery and production sector, both of which seem to be less effective and inefficient especially in the Panchayati Raj system.
10. *Cross-cutting Themes:* While trainings on gender and the issues of the marginalised have to be provided to all the local functionaries, these also have to be cross cutting themes in all the modules and handbooks. Analysis of gender and issues of the marginalised has to be made mandatory before the approval of each of the modules and handbooks.
11. *Monitoring and Evaluation System:* A monitoring and evaluation system should be put in place which looks into the quality of trainings as well. **Measurable indicators have to be developed and independent agencies have to be brought in for periodic evaluation and impact assessment.**
12. *Target Groups:* Training programmes on a regular basis has to cater for all local functionaries including ward members, employees of the local government office and transferred institutions. **Special focus** should be given on capacity building for women elected representatives, and elected representatives from the scheduled castes and tribes. **Table 12.1 reveals the magnitude of the problem of training and capacity building. On a priority basis the 20,552 elected representatives and over 1.23 lakh officials need be given training immediately after election.**

Table 12.1
Tentative List of Target Groups

#	Category	Target Group (In numeric terms)				Total
		Gram Panchayat	Block Panchayat	District Panchayat	Municipalities & Corporations	
1	Elected Representatives	16133	2004	339	2076	20,552
2	Officials	101998	8435	2220	10365	123,018
3	Members of support systems	85214	21584	3040	5800	115,638
4	Citizenry					1000,000
TOTAL						1259,208

13. *Mandatory Induction Training:* Induction training of all new employees connected with Panchayat institutions has to be made mandatory and the training should be in line with the post 73rd /74th amendment situation. In the case of elected representatives, **within six months** of assuming office, at least 10 days of trainings have to be given to all elected representatives and then continued on a regular basis. There has to be a **proper sequence** in choosing themes for training elected functionaries, viz. General topics like elements of federalism, local democracy, elements of theory of democratic decentralization, introduction to the local government system including functional role, process, and procedures, development issues, sectoral and cross-sectoral planning including planning and monitoring, management development – of staff, of programmes, and of resources and good governance.

14. *Tool Kits for Newly Elected:* In order to facilitate the effective functioning of local bodies and to further improve quality of democratic decentralisation process initiated in Kerala, toolkits have to be developed for the newly elected representatives. The following are some of the areas in which toolkits have to be developed: Democratic practices, Committee Meetings and Minutes, Office Management of Local Governments, Participatory Planning, Vision Setting, Formulation

of Development Strategy, gender mainstreaming, Status Reports of Working Groups, Project Formulation Process, Preparation of DPRs, Good Governance, Watershed Management and Community Participation.

15. *Helpline and Local Facilitators:* Even after the in-house institutional training programmes, local functionaries need support and this could be addressed through a strengthened helpline and local facilitators trained for the purpose. For the sectoral issues, the district offices of each of the line departments should have a trained resource person to provide support on demand to the local governments.
16. *Local Support System:* As was seen from the Panchayati Raj empowerment programme of SDC-CapDecK, local governments could make a difference if they are provided with adequate **technical and motivational support at the local level**. This leads to the need for identifying academic institutions, NGOs and other organisations for each of the local governments who could provide this support to the latter. KILA could be entrusted to develop a system to coordinate and facilitate this activity. These institutions and organisations themselves might require training support on Panchayati Raj, methodologies etc. which should be addressed by KILA.
17. *Exposure Visits:* This seems to be an ideal way of imparting new knowledge, confidence and motivation to the local government functionaries. Exposure visits to other Panchayats, both within the state and outside need to be considered. The **Panchayat to Panchayat programme** where successful Panchayat share experiences and lessons with others needs to be developed as a system and made regular. Resources being a problem, these could be offered on a **partial sharing and on demand basis**.

18. *Practices*: It is necessary to **document** good practices and significant failures, as case studies which are well-documented. They seem to be more effective in training programmes, especially for the elected representatives.
19. *Action Research*: In order to **develop good practices and experiences**, action researches have to be initiated on various thematic areas of concern from time to time by KILA by partnering with Panchayats. These action researches could form the basic inputs for training and other capacity building programmes.
20. *Platforms*: **Platforms for knowledge and experience sharing need to be established. This could be facilitated through the local government associations and be both at the districts and the state. The local government association and /or KILA may be encouraged to institute learned lectures (must be paid) on the latest in the theory of democratic decentralisation, fiscal decentralisation, democracy, comparative experiments (such as Porto Alegre in Brazil) and so on. These should be made at district headquarters level.**
21. *Capacity Building of Civil Society*: Addressing the civil society is a larger question which could be done through the KILA providing support to community based organisations, NGOs, local institutions, schools, colleges, Kudumbashree, mass and youth organisations, trade unions, political parties, media and the like. A **new programme** has to be initiated for this which will bring back the vibrancy of the Gram Sabhas and the Panchayati Raj processes at various levels.
22. *Technology*: All these activities could be integrated with the usage of technology like the **satellite linked training programmes**, mobile telephony and web based distance learning and knowledge sharing.
23. *Research*: There is a need for quality research and evaluation studies on the various dimensions of local governance to upgrade the capacity building

process. A **system or stream for this in KILA**, which should be integrated with the capacity building initiatives under KILA, should be developed. There is a significant dearth of literature on rural local governance. We still wait and watch on the Western World for knowledge-building. Panchayati Raj governance needs theoretical buttressing based on empirical findings. KILA can be a path beaker.

24. *Faculty*: While KILA will still be working with the **extension faculty** members who are trainers on call, the **in-house faculty** has to be strengthened in terms of number as well as quality. While the present faculty requires further development both in terms of quality and quantity, a new group in-house trainers also need to be inducted. The **roles** of the faculty and the in-house trainers have to be defined. KILA requires **generalists** called trainers and **specialists** on various topics of concern for Panchayats like poverty alleviation, participatory planning, management (which includes office management, data management, accounting and resource management), public works, local finance, information technology and development, gender, natural resource management, marginalised population etc. These could be **organised as centres or hubs** within KILA for the respective topics. The faculty could help in field studies, development of modules, helping in the design of training programmes, developing pedagogy, training of trainers, knowledge management, consultancy to the local governments, action research, evaluations and various Panchayat systems development.
25. *Line Departments*: A **new role** for the departments and the academic institutions/Universities emerges in this context. Each department should have a **Unit for capacity building** of Panchayat level functionaries including officials (the existing departmental training institutes can be restructured to address this). This Unit can have their district level counterparts who could give follow up trainings and function as **subject**

specific help line and hand holders for Panchayats. The academic institutions / universities should be able to provide regular and timely knowledge up gradation to these Units in the context and requirements of Panchayati Raj. KILA should be able to coordinate these institutions and departments and the departments together with the corresponding academic institutes to organize the training programmes.

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Chapter 13

Summary and Recommendations

Decentralised governance is a great leap forward in democratic development. Kerala's decentralized planning was a great experiment. More than a decade has passed since its launching. It is time to evaluate what happened and make mid-course corrections. Our findings and recommendations are summed up in this chapter.

Frame Work and Approach

2.2.1 Decentralised governance is a process, a meaningful march towards participatory democracy. It has intrinsic value and instrumental importance. It is a value that enhances the quality of citizenship. It is a way or process of building capabilities to participate. Equally important is its instrumental importance for development and freedom. To make democracy effective it should progressively improve. Since the concept of decentralization is variously defined and differently understood, we have to define the concept. Administrative reorganization in the nature of 'deconcentration' or 'delegation' is sometimes described as decentralization. Deconcentration refers to the transfer of administrative authority from the higher levels of government to the lower ones in order to give more freedom to the latter in delivering services or producing public goods. When a government at the Centre or at a state entrusts the implementation of certain poverty alleviation projects to the panchayats or to some specially constituted bodies, it becomes an instance of 'delegation'. There may be different degrees of either 'deconcentration' or 'delegation', but in both cases, the political power to take the ultimate decision does not get transferred. The staple of political power consists in making value judgments (e.g. what should or should not be done for

people) and allocating resources (who should get what, when and how). The agents exercising deconcentrated or delegated power remain accountable to the higher authority and not to people directly, as the authority to take ultimate decisions rests with the former. Although a local government may take up an agency function or functions of a higher government it is not primarily an agent. The agency concept is antithetical to the very idea of self-government

- 2.2.2** Decentralisation is often advocated by many, particularly the international donor agencies, for its unique potentiality for improving the delivery of public services at the local level. But, that is the instrumental value of local democracy. **We may define decentralization as the empowerment of the common people through the empowerment of the local governments.**
- 2.2.3** In the context of empowering and building the capabilities of local governments five aspects are crucial in a federal system. One, autonomy with reference to assigned functions. In a federal polity like that of India most local government functions are state – concurrent. It is difficult for a local body to take *suo motu* action even in their functional domain. (The 11th and 12th schedules of the Indian Constitution lose all operational significance here). However, considerable confusion and overlapping can be avoided through clear activity mapping. Scope for initiatives and independent action in regard to the assigned activity domain is not constrained. Two, fiscal decentralization is a logical corollary of functional devolution. It refers to the revenue raising powers that match expenditure responsibilities assigned and the arrangements made for efficient and equitable vertical and horizontal transfers. Three, administrative autonomy. The local governments should have adequate administrative and engineering personnel to carry out the financial

responsibilities they are mandated to perform. They should enjoy adequate power to manage them. Surely local governments should not be treated as appendages to any department be they rural department or panchayat or urban affairs or whatever. Here it is important to note that under a federal system of multi-layered governments, autonomy does not mean complete independence. National goals (e.g. poverty reduction) and regional developments need guidance. Even untied grants must be subjected to a clear set of guidelines evolved through a consultative process. A department that wants to control or a local government that waits always for guidance or 'orders' from above are enemies of meaningful decentralization. Coalition politics that nurses departmentalism needs to be guarded against.

2.2.3.1 The fourth critical aspect of decentralization may be referred to as institutional decentralization. Although the literature on the subject is totally silent on this, it is important that all major institutions that have a direct bearing on the functions devolved must be transferred to the appropriate level of government. In Kerala critical institutions of public service like primary health centres, schools, anganwadis, veterinary institutions, krishi bhavans, hostels for scheduled castes and so on have been transferred to local governments. This enhances the need and compulsion for more devolution of resources, personnel and administrative control.

2.2.3.3 The fifth aspect refers to responsiveness. Decentralisation brings government closer to the people spatially and institutionally. Decisions that a local government make should reflect the felt needs of the community. The *raison detre* of the institution of gram sabha/ward sabha is based on this. The creation of effective, accessible and transparent

grievance redressal machinery should be an integral part of the local government accountability system.

2.2.4 The acknowledged centrality of the gram sabha (see Article 243 A) is meant to facilitate participatory democracy. It is the vehicle to recapture the rights of the people from the bureaucracy, the proverbial steel-frame. Since the hiatus between those who rule and those who are ruled has yawned wide even after independence, any step towards empowering the citizen and influencing the material conditions of her living is to be underlined as important. The task of creating institutions of self-government with the responsibility to plan for 'economic development and social justice' (Articles 243G and 243W), local level spatial planning, conservation of natural resources are now left in a substantial measure on to the shoulders of the local governments (Article 243ZD). Rural decentralization with a three-tiered structure is the major and vital component of the two amendments. Of these three tiers, gram panchayats should occupy the premier position.

2.2.5 In brief the basic objective of the decentralization amendments is to enhance the quality of governance and ensure better state society relationships to promote participatory democracy

2.3.10 Decentralised governance cannot be and should not be seen independent of the fostering and sustained support by the state. Looking back we feel that the ethos and urgency that characterized the PPC in the 1990s must be recaptured.

On Fiscal Devolution and Management

3.1.2.2 The Plan expenditure pattern given in Table 3.2(a) shows that out of the total expenditure only 17.6 per cent in 2006-07 and 18.7 per cent in 2007-08

was spent on the productive sector by the LGs as against the prescribed minimum of 40 per cent. Even for GPs the expenditure was only 20.6 per cent in 2006-07 and 22.1 in 2007-08. Table 3.2(a) clearly shows that the local governments contrary to all guidelines and the needs of the economy, not only crossed the 30 per cent ceiling on service sector, but crossed by very high margins. For the district panchayat, service sector spending goes as high as 64 per cent in 2006-07 and 58.2 per cent in 2007-08. For the municipal corporation in all the two years, service sector spending was above 60 per cent. Unless and until the plan priorities and allocation pattern of LGs are actually reversed in favour of greater production, development in the state will stand to suffer.

3.2.1.3 Property tax and profession tax account for nearly 95 per cent of the total tax revenue of gram panchayats in Kerala. In the majority of the districts property tax collection is below the state average with a high margin in the case of Kannur, Ernakulam, Idukki, Kottayam, Kollam and Thiruvananthapuram districts. This is true in regard to the profession tax and most prominently in the districts of Thrissur, Kozhikode and Wayanad where collection is way below the state average. Although an acknowledged consumerist state the collection from advertisement tax is negligible. Even the entertainment tax which once upon a time was an important source of revenue has paled into insignificance and continues to be important only in the districts of Wayanad, Malappuram and Palakkad. The tremendous scope for tax diversification has not been fully exploited in the state by the GPs.

3.2.1.4 The Table clearly shows that in general the GPs in the Kannur district have the highest per capita tax and Ernakulam district the highest per

capita non-tax revenue. The per capita tax revenue in 2007-08 ranges from Rs.38 in Palakkad district to Rs.103 in the Kannur district.

3.2.1.5 Nine districts have a per capita OSR (own source revenue) which is below the state average. One can safely maintain that there is great scope for augmenting the tax and non-tax revenue resources of GPs.

3.3.3 A relevant question that needs to be raised is whether the sharp step up in plan grants since mid 1996 has adversely affected the tax effort? Table 3.7 presents the correlation between per capita grants and per capita own revenue (OSR). The negative correlation is more pronounced in the case of the municipalities than in the case of the panchayats. Although it is very difficult to draw firm inferences valid for the state as a whole, the government cannot afford to ignore this finding.

3.3.4.1 Kerala Municipality Act 1994 proposes revision of property tax every four years (not been revised since 1993). Moreover, the KM Act 1994 provides for change in the norms for the levy of Property Tax from 'Annual Rental Value' (ARV) method to Plinth (Built up) Area Basis of buildings. The State Government has issued orders for effecting this revision and the guidelines issued propose the strategies to be adopted by the local bodies (both urban and rural local bodies). This revision may contribute to increase in property tax income. We recommend that as a first step to property tax rationalization the permanent building number currently being experimented in the Thanaloor Panchayat in the Malappuram district may be extended to the state as a whole.

3.3.4.2 Profession tax generally obtains in most of the ULBs. But the coverage of his tax is poor. Government departments and semi-government offices (KWA/KSEB etc) are generally covered, since it is now the duty of the

head of the offices to file the list of employees, collect profession tax due from each one of them and remit that to the local body. However, private offices, trading establishments, and other private enterprises employing salaried persons are not brought under the tax net. This expansion of tax coverage may yield good returns and increase the profession tax revenue of the Municipalities and Panchayats.

3.3.4.3 The urban local bodies generally have poor performance in the collection of advertisement tax, since all advertisements within the urban area is covered by Municipal regulations. That advertisement tax forms only Rs.1.64 crore or less than 0.5 per cent of OSR of all ULBs in 2007-08 shows the potential for revenue-raising. Perhaps there is scope for improved performance in the collection and coverage of advertisement tax.

3.3.4.4 One significant aspect is the wide scope for enhancement of revenue from collection of non tax revenue. Items under licence fees, permit fees, user charges, service charges etc. need to be brought under periodic review for coverage and enhancement.

3.3.5 Efficient tax administration is the key to effective revenue-raising. A scientifically evaluated demand register for at least the major taxes viz. property, profession and entertainment taxes is an essential step in this regard. This was conspicuously missing in all the local governments we have studied.

3.3.6 Besides staff shortage, frequent reorganization of wards, lack of training in the use of modern accounting practices and software and frequent transfers of personnel definitely create problems in revenue collection and keeping of accounts. Some incentivising rewards can be helpful in augmenting revenue. A computerized data base of all properties using

GIS mapping may be prepared at least for all municipalities to start with. It is important to appreciate the tremendous increase in the work load of Gram Panchayats and ULBs so that the staff strength should be related to the size (area and population), quantum of plan funds and responsibilities handled and other relevant norms.

3.3.7 One important shortcoming noticed in all the LGs was the failure to use Budget as an instrument of financial control. The transferred institutions seldom appear in the picture. While plan receipts and expenditures are duly accounted for, (this is needed to get the plan grant instruments) this cannot be said about others. Also plan grants and their expenditures are not integrated as part of a comprehensive financial statement of the LGs. This is a serious lacuna. We are unhappy to say that account rules and Budget rules have not been operationalised. In the absence of Budget rules, the Budget Manuals could have been followed. This also has not been followed. There is need to have a periodical review of utilization of funds. The Finance Standing Committee should examine the monthly accounts, point out defects and initiate remedial action. Every LG should prepare an Economic Review corresponding to those prepared by the state government. It should contain a chapter on Assets and Liabilities. The guidelines/ Rules may be suitably modified.

A Critique of Decentralised Planning

4.3.2 The overall growth performance during the post-Amendment regime has been very good. While the overall growth during 1981-93 was at the rate of 3.69 percent per annum, it was at the rate of 6.57 during 1997-2007. The significant exception is the agricultural sector which witnessed a negative growth rate of the order of -0.29 rates per annum. It is incorrect to put the

blame of this on decentralised planning. Even so, we can firmly say that the overall impact of decentralization on agriculture has not been good.

4.3.3 The slower rate of growth in the area of all the six crops during the 10th Plan period compared to the 9th Plan [See Table 4.2(a)] is surely a matter for concern. The decline at the rate of -3.74 percent in the area and -1.32 percent in the production of rice during the 9th plan and with a corresponding decline at the rate of -3.63 and -0.42 percent per annum during the Tenth Plan, although slightly moderated during the latter plan period is indeed alarming. The clarion call of the state (made in the first week of January 2009) urging everyone to head for the State's paddy fields, although very late is extremely important to be addressed on a war footing by both the State and local governments in tandem.

4.3.6 Some general inferences based on the review with special reference to agricultural sector are noted here.

- Issues in the agriculture sector cannot be handled by the LGs alone. There are several issues of coordination and convergence which are policy-related. Lack of coordination among different departments/agencies (agriculture, animal husbandry, irrigation, electricity board etc) in the sector is hampering its activities.
- In many parts, Krishi Bhavans do not deliver technical advice, guidance and support to farmers. It functions mostly as a subsidy disbursing agency. Services of Krishi Bhavan officials are controlled by their parent departments.
- Dual control of agricultural departments will have to be avoided forthwith.

- Farming activities should be included in NREGS works and 'wage subsidy' be provided to the Padasekhara Samithis to carry out farming activities.
- The possibilities of constituting Farmers Gram Sabha for plan formulation and social audit of projects in the agricultural sector may be explored.
- Local governments in a district may be advised to formulate an agricultural policy. The initiative may come from the DPC.

4.5.3 One inference that can be firmly made from these Tables is that the Development Reports have served a useful purpose and have not been completely ignored at all. There is a clear absence of a self-evaluation of what happened over the years and the need for setting newer visions, goals and targets is also not fully appreciated.

4.6.3 All the officials from the Gram Panchayats and Municipalities and more than two-third non-expert members admitted that they had neither the training, nor expertise or the needed preparatory study to evaluate the technical feasibility and economic viability of projects.

4.6.4 A couple of observations from these studies may now be noted. First given the poor expertise and training of the Working Group members, project formulation has ceased to be a professional exercise. We may quote from one of the Reports: *"It is disclosed that one junior clerk was forced to prepare 120 projects with respect to production and social service sectors in less than one month's time. Similarly one lady clerk who is incharge of SC/ST welfare prepared the entire projects in less than two weeks time in another local body"*. In the ultimate reckoning despite the WGs, clerks prepare the projects in a haphazard manner. Second, there is no coordination of the reports of the various sectoral WGs. In other words decentralised planning becomes a

fragmented exercise. This negates the essence of making comprehensive area plans.

4.7.1 Discussions with various groups involved in decentralized planning helped us to understand various issues with respect to the functioning of TAGs. Some of them are noted below:

1. TAGs are dominated by non-expert members.
2. The members of the TAG do not work as a team.
3. There is delay in vetting the projects and LG members have to go after the TAG members individually for getting approval.
4. Some officials have to function as members of more than one TAG.
5. Departmental meetings and TAG meetings are some times held on the same day making it impossible for the officials to attend TAG meeting.
6. Some Departments do not co-operate with TAGs.

4.8.3 Several members who participated in the various focus group discussions complained that though the role of DPC in planning is mostly technical, there were very few technical members in it. Not only that, the DPC working has been painfully trivialized. For example, today many DPC members approve projects with the qualification 'subject to the rules and guidelines issued by government from time to time'. So long as DPC degenerates into a mechanical plan approving body, its planning and coordination role is lost.

4.9.1 That a fairly systematic, multi-stage, participatory planning methodology has been put into operation for well over a decade is a great achievement in the annals of decentralised governance anywhere in the world. Equally important are the achievements in housing, sanitation, drinking water supply, provision of electricity to the poor, improving connectivity, group

farming and the like besides several local governments developing good development initiatives and practices. But the major issue is that this experiment in decentralised planning has become ritualized and in some even vulgarized. This trend must change and take a more creative and sustainable turn.

4.9.2 One important aspect relates to making gram sabha a more viable and lively component of decentralised planning and decentralised governance in the state. Minimum of four GS meetings in a year is an extremely arduous task. In Kerala with an average of 20 wards per GP and much more for a Municipality or Municipal Corporation to convene such a huge number of meetings (on average 80 per GP) and requiring the officials to participate in all such meetings in a year is practically difficult. We recommend that GS meetings may be reduced to two and the quorum be reduced to 5 per cent. Every effort has to be made to make the GS meeting serious and productive. All the officials must be present and the participants should be informed of the actions taken on the responses and resolutions of the previous meetings. Important events of the village Panchayat area (e.g. out-migration, in-migration, festivals, cultural activities, school/sports achievements etc) must be reported in the meetings. Law and order, tax issues, health problems etc. must invariably find a place in the agenda. Prominent NGOs and Neighbourhood Groups, Youth Organisations, Mahila Samajams, religious leaders of the locality trade union leaders, key party persons and even the 'press' may be specially invited to the meeting. Need identification should not be made a random exercise. It should be within a framework and part of an approach. Great care should be taken in choosing the time and place of the meeting. Gram Sabha meetings shall be held only on holidays. Attendance Register at the Gram Sabha meeting should be recognized as

an official document. The security of the community must be entrusted to the gram /ward sabha. Also the security of public properties, roads, canals, etc. must also be made the responsibility of gram/ward sabha.

4.9.3 A glaring weakness of the decentralized planning process is its poor technical support base. The Working Groups and Technical Advisory Groups provide the major technical support base to decentralized planning, especially to the DPC. Today they do not work as a Team. Filling expert groups with favourites is as good as making a mockery of the planning process itself. A panel of experts available in a district in various fields with detailed bio-data must be prepared based on the recommendations of the Panchayats and ULBs. The State Planning Board also can contribute to the preparation of the panel. From this panel subject committees and academic support teams which could help the process of planning must be constituted and they could also provide voluntary support to the process of local planning at the various levels. Their services may be publicly acknowledged; since proper acknowledgement of their participation in the Panchayat / Municipal affairs may itself enhance their readiness to work with the LGs. As and when needed a panchayat president may use the services of experts not only by paying their travel costs but also by giving honorarium to remunerate their services.

4.9.4 Apart from the issue of building the technical base, there are several lacunae in the scheme of local planning that needs to be addressed. So long as everything is routinised, planning process becomes a caricature of what it ought to be. District Planning remains a weak and fragmented exercise. DPCs have failed to become an effective plan coordinating and monitoring agency which scientifically keeps track of the progress of

development in the district. Surely it is only fit and proper that the DPC prepares the development guidelines for each district. The state guidelines should be simple, brief and precise and possibly binding for a period of five years, with provision for a mid-year review (2 1/2 years) in the light of experience and lessons. There is no vision statement, objectives or targets at any level. Resource planning is next to nil. Projects in the transport/road sector were formed without any spatial planning. Watershed planning is not an integral component of overall planning. It appears that environmental planning has been completely left by the local governments although 243ZD mentions this as an essential part of the District Plan.

4.9.5 Coordination is the essence of multi-level planning. This is conspicuously missing. Proper coordination between the local governments and the various line departments whose functional domains fall within the LG jurisdictions is absolutely essential. There is lack of coordination between the three tiers of the Panchayats. It will be a good practice to have joint meetings of the development committees of the Block and Gram Panchayats at the plan formulation and implementation levels to avoid duplication and promote coordination and efficient implementation. Strange as it may seem there is no coordination between the budget and plan at the local government level. The agricultural calendar and the financial year stand wide apart. Can the two be integrated through some budget manual change for the benefit of farmers and agricultural planning? There is no effort to link the credit plan of banks with the planning efforts at the district or below. Probably the worst part is the lack of proper coordination with the state plan. The State Planning Board and the Department of Local Self Government may initiate a discussion paper on how to facilitate coordination in planning in the state.

- 4.9.6** Equally important as plan formulation and coordination is plan implementation. There is no project management system. Reportedly there is a dearth of personnel. Under the decentralisation regime the work load has increased. Besides the obligatory, developmental and planning functions devolved to the Gram Panchayats, central government projects (which includes such major projects like the NREGA) and state government projects continue to increase the work load of the Panchayats. Similar is the case with Municipalities and Municipal Corporations. The workload of the urban local bodies have increased manifold, without corresponding increase in staff strength and staff capability. What is immediately required is to institute a Committee of Experts to study the work load under the new dispensation and suggest a staff pattern that will be rational and efficient. The process of deployment of functionaries must be expedited. The KSR originally designed for a centralized governance system must be suitably reoriented to suit decentralized governance. Frequent transfers should be stopped. The Secretary and the implementing officers should work at least for 3 years in a place.
- 4.9.7** There is a wrong feeling that plan implementation means plan expenditure. Monitoring and evaluation must focus on outcomes. In this respect the Development Standing Committee has a special role. Implementation of project must not be the responsibility of the officer alone. It is desirable that each Panchayat should evolve a project management system where responsibilities are fixed in regard to the outcome, time frame, quality, asset maintenance and the like.
- 4.9.8** Development is a political agenda. But beyond policy and project level, development should be above sectarian and partisan politics. The responsibilities of the Development Standing Committee are manifold.

Their action and inaction affect the lives of hundreds of people. It is desirable that the committee meet once in a week to review the development activities of the Panchayat. The Development Standing Committee (DSC) should work in close cooperation and collaboration with the implementing officers and vice versa. The DSC should have a list and details of projects and programmes of the implementing officers broken up to: (a) GP Projects (b) Block-District Projects and (c) Centrally Sponsored and State Sponsored Projects; in the case of Municipalities as (a) Municipal projects, (b) Department/sector wise state sponsored projects and (c) centrally sponsored projects. It should be their responsibility to outline a mechanism of coordination, implementation and monitoring. Here the coordination and cooperation of higher level Development Committees will be desirable and useful. It is high time that the elected members rise above their local ward loyalties and perceptions. The Development Committee may do well to identify what works could be implemented with the cooperation of voluntary organizations or with private sector participation. In certain cases it may also be possible to obtain sponsors. The DSC must explore these possibilities.

- 4.9.9** One complaint that has been generally raised by the Panchayat functionaries is the frequent visits of a large number of auditors, many of them coming in February or in March when the Panchayats have a busy schedule of work. We are for strengthening the Audit System. But it should tone up the administration and enhance accountability. Multiplicity per se is not a problem if it helps accountability. The performance audit system originally designed to serve as a mid-course correction arrangement proved to be yet another audit system. We recommend that the government may consider the discontinuance of the

performance audit system. We also recommend that the number of Ombudsman may be increased with sittings spread over each district.

Healthing Planning and Decentralisation

5.4.1.1 Even now, we cannot say that the so called transferred health care delivery institutions are administratively under the control of the local governments. However it is important that a working relationship has been established. Wherever the local governments did intervene positively, with better management and review systems, the service delivery has improved remarkably.

5.4.1.2 The health system in Kerala has a well drafted Health Information System (HIS) starting from the households to the PHC, block, district and state levels and updated on a monthly basis though the maintenance of HIS over the last few decades has been far from satisfactory. Properly recorded and maintained HIS could provide valuable input for health planning at local and state levels.

5.4.3 Health planning like all sectoral planning has become routinised. Here the focus has shifted in favour of infrastructure. The professional support is missing. Lack of coordination and convergence continues to be a serious problem. Convergence of various health programmes initiated by the DHS and the local governments at area level can bring in better results.

5.5.1 Taking into consideration the opinions of the stakeholders as well as that of the experts, the weaknesses in Panchayat level local planning in health sector can be generally summarized as follows:

1. Improvements are in patches only, both in facility as well as in service delivery

2. Plans and projects are mainly of a short term nature and lack sustainability
3. The medical officers who should act as the kingpin of the planning process and projectisation in most cases leave it to junior functionaries or social activists.
4. There is no link between available data and planning.
5. Non-plan interventions are hardly taken care of by the Panchayats.
6. Capacity for health care and health system planning, both of the professionals at the local level as well as of the elected representatives, are in deficit.
7. Quality of actual delivery of services to the level of the citizens has not improved. A detailed survey of 20 GPs and 379 patients both outpatients and inpatients conducted by the Centre for Socio-Economic Change in 2006 show serious shortfall in the quality of services provided at the PHC level. Although there are serious inadequacies it is important to note that out of 379 patients surveyed 41 per cent were “fully satisfied” and received all the medicines prescribed by the PHC. One worrisome aspect is the fact 91 per cent of the patients have not heard about the citizen’s charter with reference to PHCs. In this way accountability to the community is rendered weak. This is also indicative of the poor growth of local democracy.

5.6.1 The issue of dual control needs to be addressed. Though it is not practical to have completely single control, a system has to be in place addressing this with clear role, activity and responsibility mapping. While designing this system, there should be role clarity on administrative and technical functions.

- Specific guidelines have to be prepared for the integration and convergence of health related activities of ICDS, Kudumbashree, MSS, ASHA and others. There must be an integration of different agencies of health sector, possibly at the DPC level (e.g. Health and Sanitation Mission, Clean Kerala Mission, KRWSA etc.)
- Integration of NRHM with Panchayati Raj has to be done.
- A manual for health system on the basis of the Kerala Panchayat Act and Kerala Municipality Act has to be put in place. This manual should enlist the day to day management of the health system by the various levels like the local government, department and the institution. It should also put forth a new reporting and monitoring system in the context of the local governments. Roles of each actor in emergencies and epidemics, national programmes etc. have to be defined and included in the manual. Management of drugs, assets and facilities also need to be outlined in the manual, with focus on role clarity.

Decentralisation and Marginalised Communities

6.2.1 The fishing community is spread over 222 villages in the marine sector and 113 villages in the inland sector where fishing and allied activities provide livelihood to the majority of the population. The local bodies, notably gram panchayats in these villages have a primary responsibility to improve the lives of this community.

6.2.3 Thus the fishing community suffer from extreme marginalization in terms of low economic attainment, inadequate housing, health care and sanitation facilities, poor education levels and attainments and poor road and information connectivities.

6.2.4 Surprisingly the Village Extension Officers had no idea about the number, social class composition and location of the sanitary conditions of the households in the Karimkukam panchayat. Regarding the type of latrines, except in the public comfort stations, the two-pit latrines are promoted. Given the loose soil of the coast this has unhygienic consequences, which according to the PHC doctor has caused widespread skin diseases in the area. During the rainy seasons diarrhoea, dysentery and viral fever are very common and in summer chickenpox. Tuberculosis, bronchitis, lung cancer and other respiratory problems are widespread. The fisher folk spent huge sums on health as well as on liquor and run themselves into deep indebtedness. Put it succinctly, one can firmly say there was no purposive planning prioritization and projectisation.

6.3.2 It is very significant that in 2006-07, 32.17 per cent and in 2007-08 over 35 per cent of the plan allocations were made for SCP and for TSP 4.58 per cent and 5.32 per cent during the same period. These are very much above their population proportion of 10 per cent for the scheduled castes and 1.14 per cent for the tribals. This is also much higher than what was happening in 2005-06 when SCP plan expenditure was 19.6 per cent and TSP 3.4 per cent. It is not inadequacy of funds, but proper utilization that matters.

- The problems of the marginalized communities are well known and quite often assume rhetorical overtones. But the reality still remains routine. It is more a question of efficient planning than money allocation. In those places where the vicious cycle of poverty has been broken, the impact of spending has been more pronounced and visible than elsewhere.

- The SCP/TSP should be made a lively part of decentralized planning. More innovative projects have to be designed. Technical experts should prepare projects that are viable and help to empower the marginalized. This is equally true of the fishing community as well.
- The issue of land and livelihood of all the three marginal communities should be periodically monitored. It is also important to monitor the availability of facilities for their higher education. The existing practices of teaching and learning from class one onwards are not 'poor-friendly'. The matter should engage the attention of the next State Development Council which should be convened at least once in every six months where the reporting of the progress of the programmes for the 'outliers' should be a permanent item.
- The vicious cycle of poverty and backwardness has to be broken. Isolated settlements, lack of viable projects, non-cooperation from departments, lack of enthusiasm or indifference of elected members from SC, ST and fisher folk and so on are some of the reasons for the perpetuation of their backwardness. The officials, members and president should do field visits to the settlements of the marginalized. High SC officials should be encouraged to participate in these visits on the basis of which good projects should emerge.
- Elected representatives and officials should attend the meetings of Oorukoottams. The suggestions from Oorukoottams should not be ignored.
- All welfare schemes including tribal welfare schemes should be handed over to GPs.
- Plan guidelines may direct panchayats to allocate funds for public works from the general funds.

- The WCP of coastal fishing panchayats should address the problem of the very low female male ratio (979 per 1000) of the fisher folk through appropriate strategic initiatives.
- Rain water harvesting should be compulsorily insisted upon in all the GPs facing drinking water scarcity.

Empowerment of Women

7.1.2.4 The pattern of the programmes and projects given in Appendices 7B, 7C and 7D shows that the Women Component Plan was not properly designed and the projects did not address the strategic needs of women. A couple of industrial estates started in the name of women naturally did not take off. In several cases we have come across, up to 30-40 per cent WCP expenditures have gone to support the anganwadis—supplementary feeding, honorarium for workers, construction of anganwadis buildings and so on.

7.4.1 An important general aspect that comes out most prominently is the absence of gram panchayat-wise gender status study. This is a prerequisite for any gender-based planning.

7.4.2 When you treat a woman as a beneficiary, disburse grant or loan often inadequate for the purpose on a project identified by someone else with no enquiry into its feasibility, micro enterprises are bound to fail. Where micro enterprises are taken up with preparation, they have by and large succeeded. We may quote here from a Report prepared by Sakhi Resource Centre: “Clear perspective on what constitutes women’s development is lacking and hence the whole approach to WCP was opportunistic and adhoc. The elected women representatives also could

not play a watch dog role as they too were new to planning and lacked gender awareness” [Sakhi Resource Centre for Women (undated) p.33].

7.4.4 Some recommendations of a general nature with reference to women empowerment are given below.

1. The question of women’s empowerment cannot be enhanced merely by one third reservation or what we may call their larger numerical presence alone. It is conditioned, by how these institutions define their autonomy and how women’s capabilities are supported. The developmental and political vision of the political parties are also crucial here.
2. A Department of Women Empowerment and Gender Justice with a Senior Woman IAS officer in charge may be newly created at the State Government level. It should be an additional portfolio under the Minister for Local Self Government. The Department may be assisted by an Advisory Gender Resource Committee at the State level in which there is adequate representation for women representatives. *Inter alia* the Department will coordinate all gender empowerment activities at the local government and state government level and monitor activities such as Vigilance Committee, Kudumbashree, WCP, Gender Budgeting and Gender Auditing.
3. Gender training should be given to all government employees, people’s representatives, social workers and resource persons. Elected women representatives be given skill development training at the outset itself to enable them to carry out their duties effectively [See Chapter 12].
4. Any meeting, discussion, seminar, gram sabha/ward sabha meetings should be conducted taking into account the convenience of women.

5. The plan guidelines may do well to highlight the concept and content of WCP.
6. It is better to make JS a statutory body and to have a monitoring cell comprising representatives of home department, social welfare and local self-government at the local level.
7. Women status study should be made mandatory prior to every five year plan and gender-responsive planning and budget to be introduced as far as possible. This Status Report shall include five year action plan, which shall be reflected in the annual plans of the local governments.

Improving Service Delivery

- 8.1.2** As regards development services like Krishi Bhavan, Veterinary services etc clear management manuals have been prepared by Working Groups after due consultation with not only experts, but also with people's representatives. We recommend that these manuals should be made operational in everyday use. Therefore we are not addressing the issues of service delivery with reference to these items. More such manuals should be prepared and made operational.
- 8.2.4** No local body has prepared a cadastral map on which the town planning schemes can be overlaid and read. Even major cities like Thiruvananthapuram, Kochi and Kozhikode are yet to go for Geographical Information System, (GIS) mapping and cadastral mapping. Land maps of the Department of Survey and Land Records are not updated and modernized and are also not matched with GIS mapping. A major malady confronting us today is that although spatial planning is one of the basic responsibilities of the Urban and Rural local governments they still do not have scientifically prepared land maps.

8.3.1.3 Front Offices: All LGs notably the GPs should have Front Offices (Information Desks) where copies of the Citizens' Charter should be made available free to all citizens of the locality. KILA has published excellent guidelines regarding the creation and management of Front Desks and a book on panchayat governance in January 2009. All GPs should be encouraged to set up Front Desks so that all the GPs should have that set up before year 2010 ends.

8.3.1.7 In brief, once we affirm and underscore the fact that service with reasonable standard and quality to the people is the ultimate goal of governance, we set out the necessary condition for good governance. All others are but sufficient conditions although they are equally important.

Revisiting the Block Panchayats

9.2.2.1 The Block Panchayat plans and Gram Panchayat plans were formulated independently of each other with very little integration. Quite often individual beneficiary schemes were directed towards the same set of recipients. Obviously it is unnecessary for BPs to duplicate the same programmes at the same scale that Gram Panchayats handled.

9.2.6 From the elaborate discussions with the various Block Panchayats and from the studies conducted by the Committee, certain general observations that occurred to us are reported below:

- (1) The distinction between the working of Gram Panchayats and the Block Panchayats is not clearly understood by the Panchayat level functionaries at all the three tiers. Block Panchayats generally try to replicate the functions of Gram Panchayats.

- (2) The three cardinal roles of the BP mentioned in Schedule 4 (a) of the Kerala Panchayat Raj Act 1994 (as amended in 1999) relate to the utilization of technical expertise, making available technical assistance to Gram Panchayats and developing backward and forward linkages in formulation of schemes. These roles have been observed in their breach.
- (3) Block Panchayats could not contribute substantially to the productive sectors, in spite of the fact that Schedule 4 (b) of the Panchayat Raj Act assigns duties with regard to agriculture, animal husbandry, milk production, small scale industries and energy to Block Panchayats. Perhaps the reason could be that BP could not conceive of non conventional schemes in the above areas.
- (4) The BPs felt that the limited resource allocation is a constraint. Some even favoured granting taxation rights to Block Panchayats. Many have not thought of innovative approaches for resource mobilization. However few like Kodakara Block Panchayat tried to combine their Plan Funds with MP and MLA LAD funds and other resources that can be raised through financial institutions. This shows the potential for development.

9.4.1.3 While BP schemes should relate to GP schemes they should not be a duplication, which means that BP should consider only schemes and projects which transcend the capacity and/or transcend the jurisdictional area of GPs. At the same time BP schemes should provide backward linkages with GP development schemes. Projects of BP should also provide forward linkages with the schemes of the District Panchayats. Perhaps, innovative concepts are required to identify such schemes. BP should be aware of what is happening at GP below and at the DP level above. They also should have command over expertise and planning data

and must have a broader vision of the development needs of the block and the district. Unfortunately this has not happened. Clause (1) and Clause (2) under the 4th Schedule (A) are related to Clause (3). Technically BP should work on a higher plane with a broader development perspective than what is available at GP level. The State apparently failed to train and equip BP accordingly.

(Schedule 4 (a) of the Act) can be clearly redefined as follows:

- (1) A Planning Data Bank should be set up at the Block Panchayat level. The Block can become a resource centre for planning exercises at the lower level Panchayats and for regional planning exercises at the higher level.
- (2) Technical Manpower Resource Bank should be identified and pooled at the Block Panchayat level. Both the Block Panchayat and the Gram Panchayat can bank on these experts and technical professionals for general planning, subject planning, project planning and similar other tasks.
- (3) Block Panchayats may provide technical advice and assistance to the Gram Panchayats in Plan preparation, identification of individual priority projects, in specific subject studies like water shed management, on block level resources etc.
- (4) Block Panchayats shall cause preparation of Sub Regional Plans for the long range development of the areas within the Block. Such block level sub regional plans should be formulated within the framework of District Plans [See Chapter 11].

- (5) There shall be a planning cell at the block level with the Block Panchayat President as Chairman and one Standing Committee Chairman as Vice Chairman. This Standing Committee Chairman shall be designated as the Standing Committee Chairman - Planning.
- (6) The Block Panchayat with advice from the Planning Cell shall identify development projects within the block and prioritise them. Such identified projects which come under the purview of the Gram Panchayats shall be made known to them. Those major projects which come under the purview of the District Panchayat, due to the size of the project (due to its nature of transcending the boundaries of the Block Panchayat and benefiting a very large area within the district) may be brought to the notice of the District Panchayat.
- (7) The Block Panchayat may carry out subject studies on which affect/benefit more than one Gram Panchayat area. (on such subjects like water shed development policy, irrigation, conservation of natural resources, eco-tourism and /or heritage, health, education etc.)

9.5.3 General block functionaries argued for raising non-tax revenue or user charges on select items. We recommend that they may be given the right to collect rent from any building complex or construction they have made. We also recommend that for bigger inter GP projects requiring institutional borrowing the BP should act as a coordinator.

Building Data Base

10.1.1.2 In the case of the data from the Panchayat/Municipal Registers, generally, the data is collected adopting a beneficiary/applicant approach which is not scientific, regular or systematic. The data in the registers are

not generally verified or updated. The reliability and coverage of this data is, therefore, doubtful. The local government is using this data only for the limited purpose for which the registers are maintained.

10.1.3.1 The Development Report of each LG occupies a key role in the methodology of decentralized planning in Kerala. The data was collected by volunteers, recruited locally for the purpose. No attempt has been made to check the quality and reliability of the data. From a professional point of view the data can be used only with considerable review and scrutiny. When the entire data set get streamlined the quality of the Report itself will improve significantly. It can even be an important building block of local data base.

10.1.5.1 Considerable information is collected from the families who are members of the Self Help Groups. Prescribed formats are used for collecting and recording the data. The Kudumbashree programme is using this data. The major defect with this data is that it is collected by the persons who are the beneficiaries of the decisions taken on the basis of this data and as such the data is likely to be biased information. There is no cross checking of the information collected.

10.1.6 Primary Health Centre data collection is done on a regular, systematic and scientific manner using statistically designed formats by properly trained investigators. The data is consolidated and sent to the District Offices and the State Directorates. We are of the view that the quality, reliability, coverage etc. of the above data are reasonably good.

10.2.1 In the Krishi Bhavan data collection is done mainly by local enquiry. No house to house visits are undertaken. Though the pre-designed questionnaires are supplied by the District Agricultural Office, no training

is imparted to the persons collecting the data. There is no system of verifying or updating the data. The data from this source has to be made more reliable by suitably modifying the data collection system.

The SC/ST Development Departments with the help of the panchayat level SC/ST Promoters/Activists collect socio-economic data on SCs and STs of colonies and settlements. The coverage of the survey is limited to colonies/settlements of SCs/STs. The data collected are seldom consolidated and hence, not available for the panchayat for use in planning. It may be noted that for local area planning and poverty alleviation programmes the data can be of great use.

Local schools keep a lot of information on students. Enrolment of students according to age, sex and social status, enrolment number of students, and dropouts according to class, class wise pass, number of teachers and other employees according to sex and social group and data on income, expenditure and assets of the school. The data is reliable. The data for the panchayat has to be obtained from the schools and consolidated.

10.3.1.3 Most of the above mentioned data are secondary data. The system, periodicity, reliability etc. depend on how the providers of the data collected the same. The panchayats have used only a part of the data for purposes of planning. But it appears that the data after verification and updating can be used with advantage for planning at the panchayat level. The question of creating a data warehouse or Local Planning Data Bank must engage the attention of the government as a priority item.

10.3.1.4 District Office of the Fisheries Department, using the services of Fisheries Extension Officers, has collected panchayat-wise data on water resources and fisheries and published the data in a book entitled 'District Plan Fish Book'. We understand that data were collected by well qualified Fisheries

Extension Officers in a systematic and scientific manner. The data are reliable.

10.4.1.6 The system for data collection in the economic census is scientific and systematic. Pre-designed format for data collection is used. Proper training is imparted to the investigators by the Department of Economics and Statistics. There is complete coverage of the enterprises and the data is reliable. The data can be tabulated for the panchayats and made available for local use.

10.4.1.8 The Statistical Wing of the Directorate of Public Instruction conduct educational survey. It was done in a systematic and scientific manner. Proper training was imparted to the investigators. All schools are covered. The data is reliable. We recommended that it should be tabulated panchayat-wise and made available for local planning.

10.5.2 The Information Kerala Mission (IKM), seeks to strengthen local governance through ICT (Information, Communication, Technologies) applications. All future data building exercise should be done in consultation with this Institute.

10.5.3.1 The local bodies will have to use a wide range of statistics to understand and analyse the present level of exploitation of the resources of the area, assess the possibilities of their further use with a view to increasing production, improving infrastructure and essential service facilities and increasing the employment of the workers thereby increasing income and reducing poverty. The most essential data required in this context is information about all the households within the jurisdiction of the local body.

10.5.3.2 The Thanalur panchayat did a very comprehensive survey which we recommend for adoption by other panchayats with whatever modifications each Gram Panchayat may deem fit. As far as the coastal panchayats are concerned the guidelines and scheme given in Working Paper 12 published by KILA may be used for purposes of modifications. All these should be part of the Samoohya of IKM.

10.6.2 In a paper presented before the committee the Director of Statistics estimates that 1219 persons will be required to fill the statistical posts necessary in the local bodies of the state with an annual commitment of Rs.13 crore. This cannot be considered prohibitive, especially considering the likely benefits from the improvements in local level planning activities as a result of posting these personnel in the local bodies.

10.6.5 As of now there is no functional relationship between the Department of Statistics and the IKM. This must be strengthened in the future on a regular basis.

Towards a District Plan Methodology

11.5.1 The organizational structure of DPC in order to make it a functioning planning unit requires wider discussions. However, a few suggestions are made to begin the process of strengthening DPC by creating a permanent Planning Unit (PU) which can attend to the following tasks:

- Arrange for the scrutiny, obtaining of recommendations from the technical group and approval of the annual plan projects of the LSGs.
- Initiate the planning process for the preparation of the District Plan, convene stakeholder consultation meetings and the various plan preparation committees and coordinate the process of District Development Plan preparation.

- Collect and collate data for District Plan and arrange for preparation of required maps and reports with guidance and assistance from the Department of Town and Country Planning.
- Prepare the various stages of the District Plan documents, arrange for consultation meetings and arrange for approval of the draft District Development Plan.
- Review the District Development Plan, identify plan priorities and advise and guide the LSGs for including the plan priorities in their respective plans and for projectising the identified priorities.
- Monitoring of Plan implementation.

11.5.2 To enable the DPC to undertake the above tasks, the Planning Unit within the DPC may be set up with the following personnel:

- One Regional Planner: The question of integrating the State Town and Country Planning Department with the district planning process may be seriously examined. The Regional Planner provided with necessary orientation training in District Planning may act as the main anchor professional in the planning team. Here the enforcement wing can be separate from the planning wing and need not form an operational part of this arrangement.
- District Planning Officer of the State Planning Board and his/ her office
- One Economist with experience related to macro and micro level economic planning
- One Economist cum Statistical Officer (on deputation from the Department of Economic & Statistics of the State)
- One Agricultural Expert – with experience in agriculture planning - either serving in the State Department of Agriculture or in the Kerala Agricultural University or a retired professional –

Planning Unit constituted with the above personnel shall work together with the present IDDP unit constituted within the Department of Town and Country Planning in the preparation of District Development Plan. The staff in the Planning Unit of the DPC shall be given regular training in the various aspects of planning and in development administration.

11.6.1 The institutional arrangement for the District Planning Committee (DPC) needs to be discussed in detail and decisions have to be adopted for action. However, in the discussions below on the methodology for the preparation of District Plan, an ad-hoc arrangement for District Plan preparation is mentioned.

- (i) The Project Cell for IDDP constituted in the Department of Town and Country Planning shall attend to the preparation of Toolkit for District Planning, act as a training cell, monitor the District Plan preparation functions in all districts and intervene and render assistance/ guidance when required by the DPC. The plan preparation exercise should be undertaken by and in the DPC.
- (ii) As envisaged in the Acts, District Plan shall be prepared under the leadership of the DPC. To enable this, a nodal planning unit shall be constituted within the DPC.
- (iii) The District Planning Office (of the State Planning Board), which now functions as a statistical unit providing assistance for monitoring expenditure on plan projects at the district level, shall be made to work as part of the DPC. In addition to this, a few other essential professionals should also be sanctioned to the DPC to work in the planning unit.

- (iv) These professionals in the Planning Unit shall have adequate training in district planning – not only in the methodology and process, but also in the theoretical concepts and approach.
- (v) District level Coordination Committee for District Plan may be constituted with the DPC Chairman as Chairman, Mayor of Municipal Corporation (if available in the district) as Co-Chairman, District Collector as Vice Chairman, Presidents of the Gram Panchayats and Municipal Chairmen, and the District Town Planner as members. The DPC member in charge of the Planning Unit within the DPC shall be the Convener.
- (vi) A professional expert committee shall be constituted in the district to carry out inter-sectoral studies and analysis and for synthesis of the sectoral studies. This expert committee shall consist of an eminent town/regional/spatial planner, one economist, one senior engineer, one sociologist/social worker, one senior agricultural officer/ professor of agriculture, and one geographer. These experts can either be serving professionals or retired professionals, but shall have proven expertise.
- (vii) Sub Committees/ Special Technical Advisory Groups may be constituted for the 19 sectors as already ordered by Government except that for the sector 18 on Finance, which shall be renamed as Economic Development and Finance, an economist serving or retired may also be nominated. Similarly, the 19th sector on Spatial Planning shall have the Town Planner of the Planning Unit in the DPC as the Convener and the District Town Planner as member.
- (viii) The project of preparation of District Plan in all the Districts shall be coordinated and monitored by a State Level Advisory Body consisting of experts, elected representatives, including MPs, MLAs besides LG representatives. The State Project cell for IDDP shall be

the technical arm of this State level advisory body and it shall function as an independent office.

- (ix) An action programme for the implementation of the project of preparation of District Plan in all the Districts, within a year shall be prepared.

11.6.2 An illustrative abstract of the district plan preparation methodology is given in Fig 11.1 and Table 11.1

11.6.3 As mandated by the Constitution [See Section 11.0] the chairperson of every DPC has to forward the District Plan to the State Government. The State may place this before the State Development Council.

Capacity Building

12.2.5 Kerala Institute of Local Administration (KILA): Meaningful and effective training is possible only with systematic and purposive research both theoretical as well as empirical. KILA has to make substantial progress here.

12.6 • The campaign approach with its sheer magnitude and size could only make general exposure and orientation. Skill development and effective training have eluded the local government functionaries in the state. Effective democratic practices and purposive local development practices have been conspicuous by their absence. During the Tenth Five Year Plan, KILA under the CapDeck Programme tried to address some of the issues. Even so, the need for improvement in the content and quality of trainings is clear.

- The focus of the People's Plan Campaign was on decentralised planning. It ignored to a great extent the need for capacity building on good

governance including Panchayat office management, accounting and on the broad theme of local self-governance and local development politics itself. Though there were some attempts by KILA to address this issue, it has not been mainstreamed or successful to produce visible impact. A few NGOs like Grameena Patana Kendram and the Centre for Rural Management also have tried to address these issues under the CapDecK Programme and have developed various models on these, but they are yet to be up scaled and mainstreamed so as to emerge as a critical mass.

- Even in the case of training programmes on local planning, the trainings focus on the various bureaucratic steps in the planning process as given in the guidelines of the state government. But, there is no specific capacity building with regard to how planning could be done making use of data and information through a participatory process using various tools and methodologies of planning. The concerned handbooks and modules too lack this element. They also fail to bring in the theory, philosophy, politics and economics of democratic decentralisation. We have to recognise that even in India which amended its constitution to carry decentralisation to remote rural areas there is a woeful lack of original theory with reference to rural decentralisation, fiscal decentralisation to sub-state level governments, local politics and so on. KILA should take some initiatives to fill this gap.
- District Planning, spatial planning, sectoral planning, budget-making and so on are specialized areas. Capacity Building in such areas should be given to select key persons only. The functionaries of the nearly 220 GPs in the coastal zone may be given a course in disaster management. Given the new role we have recommended for the Block Panchayats, the elected

representatives and officials of BPs may be given specialized training [See Chapter 10].

- There is also the issue of duplication of trainings by various institutions for the same group of stakeholders. Sometimes, they fail to give uniform message too. This is a major fallout of the lack of coordination between institutions engaged in training. Efforts should be made for better coordination.
- It is surprising to note that no serious evaluation or impact assessment has been done so far on capacity building. The training monitoring system already developed by KILA under the CapDeckK Programme is yet to be fully operational to show results. This is a serious deficit.

12.7.1 It is to be noted that the number of people to be trained is very large. It covers elected representatives of the 1215 local self-government institutions, their officials and staff and the officers transferred to the local self-governments as well as the electorate itself. More than 20,000 elected representatives, around 15,000 officials of the local self-governments, and more than a lakh of employees of the transferred institutions have to be regularly trained on a broad range of topics covering almost every aspect of development and governance. This is a challenging task which must be taken up as a grand strategy of training and capacity building by the State government. The Oxfam strategy of visualising capacity building as part of the approach to development is the key.

1. KILA and SIRD need to work together if not be brought under a single umbrella. As the potential number of trainees and topics are large, a well-structured and coordinated approach is necessary and

available resources have to be utilised optimally, avoiding duplication.

2. Measurable indicators have to be developed and independent agencies have to be brought in for periodic evaluation and impact assessment.
3. On a priority basis the 20,552 elected representatives and over 1.23 lakh officials need be given training immediately after the next election.
4. *Tool Kits for Newly Elected:* In order to facilitate the effective functioning of local bodies and to further improve quality of democratic decentralisation process initiated in Kerala, toolkits have to be developed for the newly elected representatives. The following are some of the areas in which toolkits have to be developed: Democratic practices, Committee Meetings and Minutes, Office Management of Local Governments, Participatory Planning, Vision Setting, Formulation of Development Strategy, gender mainstreaming, mainstreaming of the marginalised communities. Status Reports of Working Groups, Project Formulation Process, Good Governance, Watershed Management and Community Participation.
5. Platforms for knowledge and experience sharing need to be established. This could be facilitated through the local government associations and be both at the districts and the state. The local government association and /or KILA may be encouraged to institute learned lectures on the latest in the theory of democratic

decentralisation, fiscal decentralisation, democracy, comparative experiments and so on. These should be made at district headquarters level.

(M.A.Oommen)
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(A.Kasturi Rangan)
Member

(J.Chandra)
Member

(P.Sivanandan)
Member

(P.V.Unnikrishanan)
Member

(Eapen Francis)
Member Secretary

Thiruvananthapuram
18th March, 2009