CHAPTER 7

OPERATIONALIZATION OF DEVELOPMENT PLANS AND DEVELOPMENT CONTROL REGULATIONS

This Chapter deals with the central importance of DPs and DCRs for a city’s planned growth. It raises issues that arise in the course of its operationalization such as land acquisition and financial and technical resources. It points out the impediments and pitfalls in implementation and the issue of urban poverty.

7.1. Significance of Development Plans and DCRs

The central significance of a Development Plan for the planned growth of a city and its desired quality of life cannot be overemphasized. The DP is a statement of intent or vision. It sets out how we would like to see the city develop over a specified time period. The DP of a city essentially plans all its lands and their various uses. This is called land use planning. “Land use planning refers to the process by which land is allocated between competing and sometimes conflicting uses in order to secure the rational and orderly development of land in an environmentally sound manner to ensure the creation of sustainable human settlements.” (D Thomas, 2001). An ideal Development Plan seeks to articulate and satisfy the needs of a city’s population - economic, infrastructural (water, sewerage, sanitation, roads, power, transport), social (housing, education, health), recreational and environmental (trees, open spaces, clean air, controlled noise) within the context of available financial resources and technical knowledge. Land-use planning seeks to accommodate these needs within a technical and spatial framework. While doing this, the Plan attempts to match the use with compatibility of the type of land.

7.1.1. Development Control Regulations

The development control rules that form part of DP seek to manage and regulate property development to ensure that all development takes place in such a manner that it conforms to a pre determined set of policies or standards and ensures the orderly and rational development of land to create sustainable human settlements. They ensure that buildings are structurally sound and will not endanger the safety or lives of those who live in or use them; that they are provided with the basic services and facilities necessary to support the purpose for which they are erected; and to ensure that the environment and natural resources are managed carefully for the enjoyment of present and future generations. Development control is the most visible part of the land use planning process and the
function with which members of the public - particularly those engaged in the construction and property development industries - interact on a daily basis.

**7.2. Preparation of Development Plans and DCRs**

Before a Development Plan (DP) and its Development Control Regulations (DCRs) are operationalized, they ought to be comprehensively prepared. Clearly, high quality DPs/DCRs lie at the heart of a high quality city. The legal basis for the process of making and adopting the DP/DCR has already been outlined in a previous Chapter. Since the DP is a blueprint for the economic, environmental and social development of the city, the process of making development plans must be open, transparent and inclusive and should be grounded in public and political consensus.

**7.2.1. Future City Growth and DP**

Development plans must be alive to the fact that a city’s population and economy would continue to grow; hence they ought to be able to look into the future and assimilate those emerging needs into their fold, meaning thereby that lands would have to be earmarked for those emerging purposes. “Zoning that is not responsive to or justifiable by reference to reasonable needs, or that substantially exceeds such needs, is not consistent with proper planning and sustainable development.” (Government of Ireland, 2007)

“Development plans play a central role in the identification and protection of the natural and built environment. The development plan will set out policies for the protection of the environment and heritage and is an important source of information for landowners, developers, communities and members of the public in this regard. The DP/DCRs must offer clear guidance to developers in framing development proposals and to the planning authority in assessing such proposals.” (Government of Ireland, 2007)

**7.2.2. Integration of Development Plan with Other Plans**

Plans prepared at various levels (Centre, State, Region, City) and by various sectors (Railways, Transport, Water Resources, Power, Telecommunications, Housing, Poverty Alleviation, Commerce and Industries to name a few) have their impact on a city. It is important that the DP keeps them in view as far as its own area is concerned and each layer of the planning system must reinforce and support the others. Of special significance for conformity is that the DP must be in conformity with the Regional Plan.

**7.2.3. Demographic Diversification and Development Plans**

Communities in cities are becoming diversified as the impact of technology and impact of globalization widens. In the larger cities, their populations are progressively getting
drawn from various cultures. This demographic diversification rises as the economy diversifies. These people are of varying age, sex and economic and social contexts. DPs quite necessarily need to take these diversities into account. They should, therefore, attempt to give spatial expression to such factors as far as possible.

7.3. Operationalization of Development Plans and DCRs
The mere preparation of Development Plan for a city is not a sufficient step to ensure its implementation. The Plan must be accompanied by an implementation structure backed by institutional resources. The institutional aspect must particularly look at aspects of adequate manpower, coordination and decentralization for rapid decision-making and operationalization. It would be necessary at the same time to take care that lands meant for particular activities are not misused or diverted wilfully for other purposes. There must therefore be a strong legal and enforcement mechanism available. Finally, the DP needs to be underpinned by adequate investment (both public and private) to be able to be implemented in the specified time frame. It must provide a clear framework for public and private sector investment in infrastructure and in development in the area, having regard to both national and regional plans and policies. In effect the DP must be capable of implementation. Among financial provisions, tools for the acquisition of land needed for public purposes, incentives for participation in plan implementation through the provision of particular services would be necessary.

7.3.1. Municipal Empowerment
Plan implementation also requires that municipal bodies be empowered, as per 12th Schedule, to do their own urban planning. And if the states provide them with this function, they should have adequate manpower such as urban planners, surveyors and other technical staff for undertaking implementation. It also follows that they be of good quality. Since urban dynamics in all its aspects is beyond human ingenuity to be entirely controlled, the Development Plan must undergo changes to answer that call of dynamics. The Development Plan, therefore, ought not to be too rigid disallowing in-built mechanisms for change. Additionally, the process should not be completely top down.

7.4. Land Acquisition for DPs
The DP, in the course of mandating land uses, would earmark lands for infrastructures and public amenities. These could be lands for roads, for public schools, parks, health facilities and a host of other utilities and public amenities. The operationalization of such activities would begin with lands being in possession of the urban local body that would be the Development Authority in a large measure. Only then they could be built on, Of
course, some of these lands would serve the purposes of other service providers - service providing agencies of the Central or State Government such as post offices and the police.

Some of the reservation norms are displayed in the Table below:

**Table No.7.1 Public Purpose: Development Plan Norms of Gov. of Maharashtra**

<table>
<thead>
<tr>
<th>Sn</th>
<th>Public purpose Head</th>
<th>Activity</th>
<th>Area Norm</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Active &amp; Passive Recreation</td>
<td>Open Spaces</td>
<td>22 R Per 1000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Children Play Ground</td>
<td>1 R Per 1000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Adult Play Ground</td>
<td>6 R Per 1000 Persons</td>
</tr>
<tr>
<td>2</td>
<td>Education</td>
<td>Nursery School</td>
<td>2.65 R Per 1000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Primary School</td>
<td>3500 Sq M Per 5000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Secondary School</td>
<td>4800 Sq M Per 20,000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Libraries</td>
<td>2 R Per 10,000 Persons</td>
</tr>
<tr>
<td>3</td>
<td>Medical 7 Public Health</td>
<td>Dispensary</td>
<td>5 R Per 10,000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maternity Home</td>
<td>10 R Per 20,000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>General Hospital</td>
<td>2.5 Ha (3 Nos)</td>
</tr>
<tr>
<td>4</td>
<td>Bus</td>
<td>Inter City Bus Terminus</td>
<td>4 Sites Of Min 40 R Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bus Depot (4 Sites)</td>
<td>1 Ha Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Intracity Bus Terminus</td>
<td>17 Sites Of 0.8 Ha Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Truck Terminus</td>
<td>3 Sites Of 15 Ha Each</td>
</tr>
<tr>
<td>5</td>
<td>Police</td>
<td>Police Chowkie</td>
<td>4 R Per 30,000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Police Statn (1 For 5 Pc)</td>
<td>20 R Per Station</td>
</tr>
<tr>
<td>6</td>
<td>Fire</td>
<td>Fire Fighting Stations</td>
<td>9 Ha For 15 Sites</td>
</tr>
<tr>
<td>7</td>
<td>Markets</td>
<td>Neighbour Veg Market</td>
<td>10 R Per 20,000 Persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Central Market</td>
<td>4 Sites - 1 Ha</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hawkers Market</td>
<td>Included In Central Mkt</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Slaughter House</td>
<td>3 Sites Of 0.8 Ha Each</td>
</tr>
<tr>
<td>8</td>
<td>Dead</td>
<td>Burial Ground (2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Burning Ground (4)</td>
<td>1 Ha</td>
</tr>
<tr>
<td>9</td>
<td>Offices &amp;Exchanges</td>
<td>Municipal Purposes (36)</td>
<td>2000 Sq M Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ward Office (6)</td>
<td>8000 Sq M Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Post Office (36)</td>
<td>600 Sq M Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telephone Exchange (6)</td>
<td>8000 Sq M Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tel Sub Exchange (36)</td>
<td>2000 Sq M Each</td>
</tr>
<tr>
<td>10</td>
<td>Utilities</td>
<td>Mseb Receiving Statn (1)</td>
<td>60,000 Sq M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mseb Receiving Statn (3)</td>
<td>20,000 Sq M Each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mseb Receiving Statn (8)</td>
<td>4,000 Sq M Each</td>
</tr>
<tr>
<td>11</td>
<td>Water &amp; Waste Water</td>
<td>15 Sites For Water</td>
<td>Total Land 48.6 Ha</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6 Sites For Waste Water</td>
<td>Total Land 11.25 Ha</td>
</tr>
</tbody>
</table>

Directorate of Town Planning, Maharashtra
7.4.1. Land Acquisition and Costs of Acquisition
The Table makes it apparent that the land use plan needs huge amounts of land for operationalization of the Plan. It is also apparent that these would not be overwhelmingly municipal lands or government lands. Quite a sizeable percentage would be of private ownership and would have to be acquired. These lands were earlier acquired solely through the use of Land Acquisition Act or through private negotiations. Such acquisition required huge amounts of money merely for land acquisition. Municipal Corporations quite clearly were not able to find such resources. As a consequence lands would lie locked and not available for the use for which they were earmarked. In several cases they were encroached and diverted for other uses.

7.4.2. Land Acquisition and TDR
This situation led to the implementation of Transfer of Development Rights (TDR). TDR is a certificate from the Municipal Corporation that the owner of a property gets where his/her property is reserved for the purpose of the above cited public utilities. In lieu of cash from the Municipal Corporation, the owner gets TDR and surrenders his property to the Municipality. These certificates can then be sold to those who wish to use it for additional construction on their property. As per Rules and zones decided for receiving TDR, additional construction beyond the usually permitted FSI can be loaded on to a plot. To allow this, a city had designated TDR Receiving Areas where development densities would increase and TDR Sending Areas from where development rights would get transferred. In most cities in Maharashtra where TDR is applicable, an additionality of 40% of the plot area is allowed. A further 20% is allowed in the form of slum TDR if the specific development undertaken is for the redevelopment of slum land. TDR has acted as a great relief to cities where this is applicable, since they can now acquire lands for roads and public amenities without budgetary provisions and cash outgoes.

7.4.3. Land Acquisition, Structures and Encroachments
While the provision of TDR has been of assistance to municipal bodies, land acquisition still remains a huge problem. This is on account of reservations on lands that were or have got encroached over time. This has put the burden of removal of encroachments on the municipal body, frequently requiring relocation in case of slums or activities such as hawking. In case of road widening, apart from the land, there have been authorized structures of owners, such as boundary walls that need pulling down. Municipal Councils are required to separately compensate the owners for this purpose. The removal of encroachments and the reclaiming of municipal land sometimes leads to violent protests.
and mob activity endangering the lives of municipal employees. Examples have also surfaced where these groups are aided and abetted, either directly or indirectly, by municipal elected representatives. Because of the kind of governance climate that has begun to prevail in cities, these classes of representatives have become increasingly assertive and unaccountable. In view of such experiences, the larger municipal bodies have also taken on their rolls a posse of police constables and officers to be in readiness to aid the removal of encroachment by ensuring security cover for municipal staff. Infrastructure provisioning in view of these responsibilities relating to land continues to be an extremely onerous and heavy responsibility cast on ULBs.

7.5. Institutional and Legal Resources
The institutional set up for the implementation of DP is partly as provided by the MR &TP Act and partly as provided by the Municipal Acts. These are in place in cities, except that the time frame in which they operate is extremely laid back. There is therefore a mismatch between required speed of decision-making and the actual lethargy seen on ground. Besides, the top management of the municipal body - the municipal commissioner and the deputy municipal commissioners in municipal corporations and the chief officers in municipalities are state functionaries. In most cases they are not able to provide leadership to the operationalization of the Development Plan. This could be on account of a lack of familiarity with the nuances of the Plan and its operationalization. In most cases it is due to frequent state interference with their tenure in the municipal body where they are generally not able to complete a long enough period to see the Plan through. Many a times, it is because officers themselves find working in the municipal bodies very testing and seek to move out to more salubrious postings where the heat is less and delivery is easier. In many ways this is an outcome of ever mounting demographic load of cities and multiple kinds of shortages and deficiencies that stretch municipal services to the point of collapse.

7.5.1. Legal Issues
Since the Plan is not always to the heart's desire of individuals who have stake in lands and properties, there is a frequent tendency to stall municipal proceedings in regard to Plan implementation by taking recourse to approaching the Courts and obtaining stays. As cases mount, most municipal bodies find it difficult to defend their cases in the courts with the limited staff that they have. They, therefore, have to employ a battery of lawyers from outside who can defend their cases. While the High Courts have been critical of the manner and ease with which the lower judiciary grants stays, there has not been much positive impact of such observations and the municipal bodies continue to struggle on this
front. It can be safely said that resistance of vested interests to the Plan, poor defence from municipalities and legal loopholes combine to put tough hurdles to the operationalization of the Development Plan.

7.5.2. Technical Manpower
Apart from the top management having limited time frames in municipalities, urban local bodies also suffer from a lack of technical manpower that can undertake the grassroots activities such as surveys, joint measurements and detailed planning of individual activities within the Plan. These include urban planners, surveyors and such technical personnel whose presence is essential in the local bodies. Towns also need modern tools that are currently associated with land use planning, such as computer based technologies that enable accurate measurements and quick surveys and the preparation of drawings and plans. All these pose difficulties in Plan operationalization.

7.6. Financial Support to Operationalization of DPs
It is logical that if a plan is prepared and approved, it must be implemented. It should, therefore have sufficient financial and administrative strengths that would allow its implementation. Since the Municipal Councils/Corporations are planning authorities for their states, it is up to the urban local bodies to find resources to implement their Development Plans. A further point of importance is that Development Plans contain a number of public amenities that need implementation in the shortest time frame possible. This is because they are based on certain norms of projected population. If the amenities do not keep pace with population, it results in the unavailability of those services to the population.

7.6.1. Financing Land Acquisition for DP
It is widely observed that Development Plans are primarily land use plans and do not get into the financials of its implementation. The Development Plan is drawn on the basis of certain norms that the State sets in consultation with the Director of Town Planning. These are land norms and they are in regard to various services that the city would require. They are with regard to open spaces, playgrounds and gardens, in regard to schools and health facilities, transport facilities, police and fire stations, post office, telephone exchange, markets, slaughter houses, water and waste water, power and other municipal functions. These land allocations could be on public or private lands and in several cases would require acquisition.
Following this, they would need to be allocated to different governmental agencies that provide those facilities. Those that are to be done by other than municipal corporations/councils would be the responsibility of those departments. Thus land earmarked for police stations would be paid for by the Police Department and Post office land by the Department of Posts. However, the majority of lands pertains to municipal functions and would have to be acquired and built on by urban local bodies. These would be lands reserved for primary schools, for playgrounds and for gardens, for dispensaries, health centres and maternity homes, vegetable markets and slaughter house, for fire services and utilities such as water and waste water, power, municipal offices and others.

Quite clearly, there is a mismatch between the DP and the resources since resources have not been a consideration in planning. This means that in the process of planning, the fact that implementation would require finances and it is important that the plan more or less be matched with what would require the implementation of the plan in the given time frame has not been a consideration factored into the plan. The plan may have cursorily dealt with areas where resources could be found, but there is no in depth analysis of the same. Given the central importance of the DP for the city and its absolute necessity to be implemented for the health of the city, this ought to be an obligatory exercise in the preparation of the Plan. Unfortunately, it is not so and the Plan, therefore, strictly in its nature, remains a land-use Plan.

7.6.2. Municipal Financial Support

The Planning process may be excused for having not undertaken a financial implementational analysis. But the document is primarily prepared for a city and the Urban Local Body is the prime custodian of the document as the planning and governance authority of the city. The responsibility is cast upon it to implement the Plan. Unfortunately, municipalities have not taken due note of the Plan. All cities that form part of our city have not done any detailed implementational analysis. This process would involve prioritizing the needs of the city; based on priorities splitting of the Plan into annual implementational tranches, working out the cost implications, identifying the financial stream from where money would come for implementation and then fixing responsibilities of implementation across the municipal departments. None of the cities seem to have taken up this exercise.

7.6.3. DP Not the First Charge on Municipal Budget

The poor implementation of the Plan gets compounded by its neglect when the Councils/Corporations formulate their budgets. At the point of money allocation, the true import of the Development Plan does not get appreciated. Development Plans, given their
significance, ought to be the first charge on municipal budgets. However, this has not been the case. Municipal Officers interviewed stated that when annual budgets are made, development plans are not kept before the corporation as a plan to which resources have to be allocated. While some allocation happens, it is more out of petitioning by corporators, citizens or such considerations rather than a well considered thought process. Quite definitely, DPs are not treated as the first charge on the municipal budget. In fact, scarce resources are seen to be diverted to several other uses that do not form part of the DP, nor are obligatory functions of urban local bodies. These include works such as memorials, museums, theatres, swimming pools, institutions of higher learning that would actually fall in the realm of the State departments. The results in the circumstances are evident.

7.6.4. State Control on Municipal Tax Domain
Wide differences exist among ULBs in tax jurisdiction, degree of control exercised by State Governments in fixing the tax base, tax rates and tax exemptions, and how efficiently taxes are administered and enforced. The revenue gap is widening in most ULBs due to low revenue generation, increasing expenditure, shrinking budgetary grants, and inefficient financial management. (H Pradhan)

7.6.5. State Financial Support
Key to the fiscal relations between States and ULBs are the State Finance Commissions. The Revenues that flow to the municipal bodies from the State are few and very meagre. And they are reduced as the city climbs up the ladder from nagar panchayats into 'C' class, to 'B' class, to 'A' class municipal councils up to municipal corporations. From an analysis of the budgets it is seen that State Government revenues are a small fraction of the municipal resources. The smaller municipal bodies receive grants under UD 6 and the larger ones get a share of vehicle tax and entertainment tax.

The Constitutional (Seventy-fourth) Amendment Act 1992 did provide for the State Finance Commission to go into budgets of local bodies and recommend to the State the devolution of funds to them based on their infrastructure requirements. The relevant provision reads as follows:

“243Y. (1) The Finance Commission constituted under article 243-I shall also review the financial position of the Municipalities and make recommendations to the Governor as to-
(a) The principles which should govern-
   (i) the Consolidated Fund of the State;
(b) the measures needed to improve the financial position of the Municipalities.
(c) any other matter referred to the Finance Commission by the Governor in the interests of sound finance of the Municipalities.

(2) The Governor shall cause every recommendation made by the Commission under this article together with an explanatory memorandum as to the action taken thereon to be laid before the Legislature of the State.” [Extract of the text on SFC in the Constitutional (Seventy-fourth) Amendment Act 1992.]

However, states have not acted upon the advice of the State Finance Commissions since the Act did not make it mandatory for the States to accept the recommendations of the SFC, as the language of the text above would show. The SFCs themselves have not been very helpful. “There is widespread perception that SFCs have not played a leadership role……SFCs have not effected or recommended any change in the fiscal powers of ULBs; instead, they have exhorted ULBs to make better use of the fiscal powers they now possess……each SFC defines for itself the policy goals for revenue sharing as well as the methodology for estimating the allocations for ULBs. The result is that SFCs produce a divergent blend of technical analysis and their own fiscal norms that substitute for political consensus, rendering their recommendations, at best, of limited use”. (Mathur and Peterson, 2006).

7.6.6. Central Financial Support

Central Finance Commissions.
The Urban Local Bodies in India get certain grants from the Central Government. These grants are mainly based on the recommendations of the Central Finance Commissions (CFCs). After the 74th Constitutional Amendment, the 10th, 11th and 12th CFCs provided ad-hoc grants to ULBs. The 10th CFC made an ad-hoc provision of grants to the tune of Rs. 1,000 crores to the ULBs for the award period of 1996 to 2000. The 11th CFC identified certain basic services, viz provision of primary education, primary health care, safe drinking water, street light, sanitation, drainage and scavenging facilities, maintenance of cremation and burial grounds, public conveniences and other common property resources. A total grant amounting to Rs. 400 crores was earmarked for ULBs. The 12th Finance CFC recommended grants amounting to Rs. 5000 crores for municipalities payable during the period 2005-2010. It also stressed the importance of Public Private Partnership (PPP) to enhance service delivery in municipal areas. The 13th CFC was constituted for the period of 5 years i.e. 2009-10 to 2014-2015. Its report has already been submitted to the Union Government in Feb 2010.
“The 13th CFC has adopted a complete shift over in recommending grant-in-aid to local bodies compared to earlier CFCs and has focused on linking of the system of grant-in-aid to a divisible pool of central taxes rather than the system of ad-hoc grant-in-aid recommended by the last three CFCs. Further, the 13th CFC has recommended three types of grant-in-aid to ULBs namely (i) general basic grant, (ii) general performance grant and (iii) special area basic grant. The general performance and special area basic grants are of conditional nature. The State Governments will be eligible to draw down its share of ‘general performance grant’ and ‘special area basic grant’ only if they comply with nine and four conditions respectively laid by the 13th CFC. The focus of these conditions is for proper budgeting, accounting and audit practices at local body level, a system of better administration at local body level, an electronic transfer system to local bodies at state level, compulsory levy of property tax and constitution of a state-level property tax board and defining of service standards by the state government.” (NIUA, 2011).

“The grants from CFCs are miniscule, however, compared to the estimates of investment required for municipal bodies. “The investment required for urban infrastructure over the twenty year period is estimated at Rs. 39.2 lakh crore at 2009-10 prices. Of this, Rs.17.3 lakh crore (or 44 percent) is accounted for by urban roads. The backlog for this sector is very large, ranging from 50 percent to 80 percent across cities of India. Sectors delivering urban services such as water supply, sewerage, solid waste management, and storm water drains will need 8 lakh crore (or 20 percent). The Committee has made explicit provision of Rs. 4 lakh crore towards investment in renewal and redevelopment including slums.” (Report on Indian Infrastructure and Services, March 2011, Pg xxiv)

Even if the items cited above are not all related to implementation of DP, it is evident that the financial gap is too wide to be bridged by paltry sums of central transfers. On their own as the above Report states “Urban local governments in India are among the weakest in the world both in terms of capacity to raise resources and financial autonomy.”

7.6.7. Jawaharlal Nehru National Urban Renewal Mission (JNNURM)
Government of India introduced the Jawaharlal Nehru Urban Renewal Mission (JNNURM) in 2005. This aims at improving and augmenting the economic and social infrastructure of cities as well as affordable housing and basic services to the urban poor. The Government of India has allocated a little over Rs. 66,000 crores out of an approved project cost of Rs. 109,700 crores. It is pertinent to note that all Central and State assistance is not linked to the implementation of the Development Plan, although it could
be a far-fetched consequence that Development Plan items have also found some money. But the focus clearly has been absent.

7.6.8. Costs of Operationalizing DP

Working out the costs of operationalizing DP is a challenging task. This would vary from city to city, since cities have different levels of income as well as costs. Despite these differences, however, an attempt is made here of coming to a cost estimate that may roughly approximate the costs across cities and give us a reasonable idea of the difficulties.

In working this out, the following assumptions have been made:

i. The city has an area of 50 sq km and a population of 5 lakhs, meaning thereby that it has a per sq km population density of 10,000. This is a very reasonable density in Indian conditions.

ii. The Urban Local Body has an annual income is 150 crores or Rs. 3000 per capita. This is knowingly taken above the overall average of Indian cities, to specifically highlight the plight of even such Indian cities that are relatively financially well off. It would be possible to locate this level of revenue buoyancy in the western cities where octroi continues to be a source of municipal revenue. Thus, for example, the city of Kolhapur with an area of about 67 sq km and a population of about 5 lakhs has a budget of approximately 160 crores.

iii. It spends one-third of its money on establishment, one-third on maintenance and one-third on capital assets. This is an excellent distribution, given the fact that many ULBs find it difficult to even meet the establishment expenses.

iv. Of the various reservations cited above and of the municipal services, the most basic and essential items have been taken into consideration. These are roads, water and waste water, open spaces, gardens and playgrounds, primary schools, primary health centres and dispensaries and land for amenities and roads. Other vital basic services, such as solid waste and street lights have been excluded as they are more of maintenance functions and have marginal financial impact on DP implementation.

v. The Development Plan is to be implemented in a period of twenty years, which is the period statutorily provided, and

vi. No increases in income and costs have been factored in. It is presumed that the rising costs will be compensated by rising income as there would be demographic growth, more construction and more taxes and a resultant larger expenditure.
Based on the above premises, the revenues of the considered municipal corporation would be as follows:

**Revenue**

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>PERCENT</th>
<th>ANNUAL AMOUNT (CR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment</td>
<td>33</td>
<td>50</td>
</tr>
<tr>
<td>Maintenance</td>
<td>33</td>
<td>50</td>
</tr>
<tr>
<td>Capital Assets</td>
<td>33</td>
<td>50</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>150</td>
</tr>
</tbody>
</table>

And as cited above, the costs of DP implementation of the considered items would be as follows:

**Table No 7.3 COSTS of developmental projects**

<table>
<thead>
<tr>
<th>Service</th>
<th>Description</th>
<th>Costs (Cr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>RS.3000 PER SQ M</td>
<td>2250</td>
</tr>
<tr>
<td>Water &amp; Waste Water</td>
<td>RS. 9713 PER CAPITA</td>
<td>0500</td>
</tr>
<tr>
<td>Open Spaces, Gardens, Pgs</td>
<td>RS. 350 PER SQ M</td>
<td>0070</td>
</tr>
<tr>
<td>Schools</td>
<td>RS. 5,000 PER SQ M PER SCHOOL</td>
<td>0450</td>
</tr>
<tr>
<td>Phcs + Dispensaries</td>
<td>RS. 15,000 PER SQ M</td>
<td>0020</td>
</tr>
<tr>
<td>Land For Amenities</td>
<td>RS. 3000 PER SQ M</td>
<td>0750</td>
</tr>
<tr>
<td>Land For Roads</td>
<td>RS. 3000 PER SQ M</td>
<td>0900</td>
</tr>
<tr>
<td>Total Asset Bldg Cost</td>
<td></td>
<td>4940</td>
</tr>
</tbody>
</table>

**7.6.9. Cost Presumptions Explained**

An explanation is owed on how these calculations have been arrived at. In the case of roads, it has been assumed that the city would have 15% of its area under roads. This is a reasonable percentage in regard to road densities that are planned for cities. This results in 7.5 sq km of area under roads or 75,00,000 sq m. At an average road width of 15 metres, there would be 500 km of roads in the city. The cost of road construction has been assumed at Rs. 300 per sq m inclusive of storm water drains and other items of road furniture. In the case of water and waste water, norms worked out by Urban Infrastructure Report (Pg 74) has been taken. These are at 2009-2010 prices. The general urban planning norm for open spaces is 10 percent of city area. This works out to 5 sq km in the instance of this city or 50,00,000 sq m. It is assumed that only 20,00,000 sq m would be subjected to soft and hard landscaping at an average cost of Rs. 350 per sq m (cost norm
used by PMC) leading to a total cost of Rs. 70 crores. In regard to PHC and dispensary, GoI norms of 385 sq m for PHC and municipal norm of 200 sq m for dispensary have been used. The cost of Rs. 15,000 per sq m includes cost of construction as well as furniture and equipments that would be needed. It is presumed that all land required for all amenities would need to be acquired. Amenity land norm is 5 percent of all city land, in this case 2.5 sq km or 25,00,000 sq m. Similarly, it has been presumed that all of 15 percent road land would need acquisition.

7.6.10. Analysis of Municipal Ability on Basic Services
The sum total of all these implementation items works out to Rs. 4940 crores. Thus money has to be found in a period of 20 years. However, the city would be able to find only 50 x 20, that is Rs. 1,000 crores out of its budgetary resources, leaving a gap of 3940 crores. This amount would be found by the ULB over a period of almost 80 years. Even it is presumed that 50 per cent of all lands are available from Government or are of municipal ownership, it still leaves a resource gap that would be found over 40 years. Quite clearly, it is beyond a municipal corporation to find the resources to implement the Development Plan. It is also evident that the State and the municipal bodies would have to devise newer methods of bridging the resource gap. This would have to be done in partnership, since the State as the arbiter of municipal fortunes must move in to empower the municipalities to exercise power for the use of such instruments.

7.7. Use of Land Instruments for Operationalization of DP
One of the most important methods of raising resources is land instruments that can play a vital role in the implementation of the Development Plan. The most important of these are landpooling mechanisms of Town Planning Schemes, FSI (Floor Space Index), TDR (Transfer of Development Rights) and Accommodation Reservation. In Maharashtra, the use of TDR for the acquisition of land has been in use in the larger cities for quite some time. Since land acquisition is one of the most expensive items in the implementation of Development Plan as seen in the Table cited above (Rs.1650 crores), the use of TDR can almost entirely replace the requirement of hard money by the ULB for its acquisition. In Gujarat, particularly in Ahmedabad, Town Planning Schemes have been extensively used for the twin purpose of planning smaller areas of one to two sq km through the twin concepts of betterment and compensation and the acquisition of amenity space free of cost by the municipal body.
7.8. Use of the PPP mode for the implementation of DP
There are several alternate models/instruments that can be pressed into service to operationalize the Development Plan. Their use can go a long way in bridging the resource gap that municipal bodies face. These are discussed below:

7.8.1. Getting Others to Share Operationalization of DP
The use of PPPs for the implementation of Development Plan has not been given sufficient and serious attention. This could be especially useful in the provision of such services as primary schools or primary health services. The States/cities could specify norms for these services, especially where reservations for these facilities are on lands that do not belong to the municipal body. Such reservations could be developed by the respective owners for the public purpose for which these lands are reserved and in the manner prescribed. Wherever the owners would be happy to take up these tasks, the municipality could give up the development of these specific services. This would mean that the demands on DP implementation on the ULB would get reduced to that extent.

7.8.2. Public Private Partnerships.
In other cases, where the owners were willing to partner with the ULB, a PPP model could be employed. The model essentially would allow the municipal body to get the service provided at a reduced cost because of private investment in a public service, expecting to be compensated by a stream of revenue that the private developer could tap. Such examples, in core social sectors are few and far between and there is still some distance to be covered before this becomes the norm rather than the exception. It must be clearly acknowledged, however, that this is a vital strategy that needs to be pressed into service if the ULBs want to come anywhere close to the full and satisfactory implementation of Development Plan. This needs to become a part not merely in peripheral functions of ULBs but the core functions that are basic to the quality of life in cities, such as water and sewerage, health care, education, traffic and transport, parking and poverty alleviation programmes.

7.9. Monopolization and Implementation
7.9.1. The Combined Paucity of time, Talent and Money
Even after such methods are pressed into service, municipal monopoly over service provisioning in a city would not work because of a combination of several municipal deficiencies - time, talent and money. As cited above municipal bodies need to implement their Plans within two decades. And we have seen that or doing this, the kind of planning and attention that is needed is not available with ULBs. Municipal Councils/Corporations
are most of the time engaged in fire fighting and trying to live up to the delivery of basic services. Democratic processes such as meetings of different municipal committees, the General Body, review meetings and reviews at the district and State level take a lot of time. Hence the quiet luxury of forward planning is not sufficiently available with ULB officials. As cities grow, the scale and the complexities of urban problems escalate. As a consequence, municipal officials find themselves deficient in handling such issues all on their own. We also have seen that ULBs are extremely ill provided with resources and find themselves perpetually cash strapped.

In view of these constraints, it is essential that municipal bodies give up the insistence on monopolizing service provision and embrace partnerships, especially with the owners of land. If, for instance, land owners whose lands are reserved for schools want to get into partnership with reputed institutions and provide primary schools, ULB should readily accept such proposals as long as the basic parameters of running a primary school are met.

7.10. Plan operationalization and Urban Poverty

The operationalization of Development Plans have been sharply hit by the growth of urban poverty, slums and the informal sector. Since the land-use Plans do not have much in them that reflect the needs of the poor - either of shelter or of employment, the proliferation of activities of the poor can only be at the expense of the Development Plan. In other words the poor constitute the single largest cause of the unplanning of a city Plan. This may also be termed as the informalization of the Formal Plan. Since any city is unable to survive without the services of the poor - blue collared industrial worker, driver, milk vendor, domestic assistant et all - there does not appear any alternative to the poor becoming a larger city mass and more and more integral to the city as its economy accelerates. Such informalization, however, needs to be prevented if the Plan, indeed the city as we understand, has to survive.

What is required is the adoption of a planning ethos that raises the equity concerns to be a central cross-cutting theme in all urban planning processes. This would mean, on the one hand, addressing the problem of "slums and informal settlements through upgrading programmes, which entail the provision or improvement of infrastructure and basic services such as water, sanitation, garbage collection, storm drainage, street lighting, paved footpaths and streets. Besides the physical improvement of these settlements, the provision of such infrastructure can deliver major benefits in economic growth, poverty reduction and environmental sustainability. A major aspect of such upgrading
programmes should be land regularization, especially where previous tenure was insecure or unclear.” UN-HABITAT. On the other hand, it means reorienting the land use plan to embrace the needs of the poor in regard to shelter and enterprise. Together, the Plan would cover the poor who are already in the city and the poor who would come in with its expansion.

7.11. Conceptual Expansion of Development Plan

"Urban planning has been much criticized for failing to adequately consider implementation issues. There is a considerable legacy from the 20th century of grand plans with little actual realization on the ground. Implementation has often proved particularly problematic when plans were developed out of obligation, statutory or otherwise, or from an overambitious political project. However, traditional master planning and the rational-comprehensive planning tradition tended to see implementation as synonymous with the control of urban systems, often with military precision. If that did not happen, the process of plan formulation was seen as a failure and plans were ridiculed as ‘paper tigers’.” (Global trends: The Urban Planning Process (Procedural), UN-HABITAT)

7.11.1. Re-engineering of DP

On a consideration of all aspects of Plan operationalization, it is clear that Development Plans have to be re-engineered as more than mere land use plans, emphasizing physical design, and enforced through land-use control. This necessarily means widening the scope of planning beyond land use, and to get into the area of how plans shall be implemented. This requires the consideration of implementational tools - land instruments, land pooling, FSI and TDR, accommodation reservation, budgetary support, private investment, PPPs and any other method that could be available. Together they should allow a comprehensive support system that allows the operationalization of the Plan in the given time frame.

7.11.2. Shift to a Governance-Oriented Enterprise.

Additionally, since the entire city population is a stake-holder in the Plan and its outcome, an institutional shift is demanded from a government driven and controlled initiative to a governance-oriented enterprise where it becomes a collective city effort. "It is recognized that planning is not only undertaken by professional urban and regional planners (other professions and groupings are also involved); hence, it is appropriate to refer to the ‘planning system’ rather than just to the tasks undertaken by planners. Planning also highlights a developmental movement from the past to the future. The term planning’ also
implies a mode of governance (a form of politics) driven by the articulation of policies through some kind of deliberative process and the judgement of collective action in relation to these policies. Planning is not, therefore, a neutral technical exercise: it is shaped by values that must be made explicit, and planning itself is fundamentally concerned with making ethical judgements.” Source: adapted from Healey, 2004, UN-HABITAT.

7.12. Municipal Empowerment and Development Plan
The Constitution (seventy-fourth) Amendment Act has laid great emphasis on municipal empowerment and its spirit clearly wanted States to be facilitators rather than day to day managers of municipal affairs. Its twelfth Schedule listed right at the top urban planning as a function to be performed by urban local bodies. However, the Amendment, in actuality, failed to deliver ULBs from the clutches of the State. The State both in the domain of finances as well as functions continues to be the arbiter.

In terms of planning - the preparation of Development Plans of cities as well as their implementation, the State's approvals are critical. In many of the cities, there has been inordinate delay in the approval of Development Plans. Many modifications are sought to be made by the State superceding the voice of the city; and all these attempts cannot always be said to be in the overall interest of the city. This has clearly been a large stumbling block in the implementation of the Development Plan.

Summary
Despite the huge significance of DP and DCRs for planned urban growth, their operationalization currently is fraught with huge deficits and challenges. These exist in the area of land acquisition and in municipal, state and central support to fund implementation. As a consequence, DPs are seen to be substantially unimplemented. The growth of urban poverty and the inability to deal with it in the planned process is a big threat to the planned growth of cities. Quite obviously there is a need for the re-engineering of DPs and DCRs.
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