4.1. Introduction

Over the past two decades, local governance and development process at the grass roots level in Kerala has been transformed and a series of policy measures have been taken by the state government as part of democratic decentralization. These transformation aimed at devolution of powers, authority and resources, the way it operates and the environment in which it works. The aims and objectives of these changes are to strengthen democratization, ensure participation of all sections of people in local governance and development, protect the freedom of the people to decide the developmental priorities and needs at the local level and to promote inclusive development. The previous chapter discussed the legislative changes carried out in India and Kerala to make local governments as self-governing institutions and developmental local governments with constitutional powers and authority. Creating genuine democratic institutions with adequate powers and resources and with appropriate systems and procedures for democratic functioning was the aim of the Constitutional Amendment Acts and the state conformity legislations. Kerala has adopted a big bang approach in implanting the democratic decentralization programme.
The real and effective decentralization probably calls for a big bang approach—functions, powers and resources being transferred at one go in a political act of faith (Vijayanad, 2009:11). The conventional approach calls for building capacity of local government functionaries and then transfer powers and authority corresponding to the improvements in capacity. No doubt, the capacity of local governments to effectively involve in the assigned functional areas with greater transparency, accountability and participation will have to be enhanced. In order to achieve these objectives, democratic decentralization project in Kerala was designed and implemented within an environment of public action and public reason and with the support of a campaign mode, called People’s Plan Campaign. As government transfers a lot of responsibilities and funds considerable pressure would build on government from various sides to ensure that the responsibilities are carried out effectively and the funds are utilized properly (Ibid.).

The real watershed in Kerala’s decentralization process and planning begins from the mid-1996 when the Left Front Government that came to power in May 1996, took several landmark initiatives and measures to transform the relations between local government and society (Oommen, 2004:8). The LDF Government, by making use of the potential of Constitutional Amendments wanted to launch decentralized participatory planning and to empower local governments as institutions of self-governance. This was part of the political strategy to democratize local governance and development process and to facilitate participation of the common people in the decision making process at the local level. This initiative on the part of the LDF Government was the realization of the long standing vision of the left in Kerala to de-bureaucratize local governments and to establish democratic and accountable system of governance at the lower levels of the political system. In order to accelerate democratically driven and people-centric governance, participatory local planning was used as an entry point for social and political
mobilization of the people and exert pressure on the state system to devolve more powers and authority to local governments and to establish new systems and procedures for the functioning of genuine self-governing institutions (Article 243(d) ) at the local level.

Democratic decentralization favour participation of all sections of the society in the decision making process at the local level, including participation in development planning and local governance. Democratic decentralization can also contribute to improvements in the efficiency of implementation, particularly if the development process is made participatory and transparent (Isaac and Franke,2000:5). Participation can also help in tapping dormant local resources in the form of monetary donations, material contributions and voluntary labour (Ibid.). Community participation in local development provide increased opportunities to mobilize local resources, both material and human, to create social and infrastructure development based on the choice of the people. The participation of people in the development planning enhances transparency and effectiveness of resource utilization.

The participatory planning methodology also ensure effective coordination between the elected representatives and the department officials and make departmental officials accountable and responsive to the elected members in the local government council. Decentralization of the bureaucratic dominant state system is essential for transforming the existing institutional structures in to empowered deliberative bodies (Ibid.:6) “Empowered Deliberative Democracy “ should produce superior outcomes to traditional “Representative – Techno - Bureaucratic Democracy’ in promoting equity, improving the quality of citizenship and producing better outcomes of state action( Ibid.). With this objective, Government of Kerala have taken concerted efforts to transform the local government system through the legal framework and policy guidelines for democratic decentralization and accountable local governance.
4.2. Decentralized Participatory Planning and Democratizing Development in Kerala

The 73rd and 74th Constitutional Amendments provided a strong legislative foundation for institutional reforms of local governments and participatory decentralized planning in India. Consequent to these Amendments and the passing of state conformity legislations, the PRIs have acquired significant legitimacy and widely recognized as instruments of participatory democracy. Properly interpreted and adequately supported by institutional reforms (as in the case of Kerala), the 73rd and 74th Constitutional Amendments offer great opportunities for building a public sphere, providing direct participation and inclusive society at the local level (Oommen, 2014:12).

Article 243 G of the Constitution endowed the Panchayats with the power to the preparation of plans for economic development and social justice and implementation of schemes for economic development and social justice including those in relation to the matters listed in the Eleventh Schedule as the most important authority and responsibility of the Panchayats. Article 243 ZD of the Constitution stipulate that at the district level a District Planning Committee (DPC) shall be constituted to consolidate the plans prepared by the Panchayats and Municipalities in the district and to prepare a draft development plan for the district as a whole.

The Eleventh and Twelfth Schedules of the Constitution, the development responsibilities of local governments have been clearly listed. Article 243A of the Constitution mandated Grama Sabhas and the citizens as the heart of the democratic system at the local level and opened a new chapter of participatory democracy in India. The 73rd and 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 (Oommen, 2009:19-20). By making use of these provisions in the Constitution
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as a historic opportunity, Government of Kerala took sincere efforts to formulate local plans with maximum participation of the people of all societal sections in a transparent and participatory manner through the People’s Plan Campaign (PPC). The campaign wanted to do a re-engineering of the bureaucratic centered development planning process and to ensure the participation of a wide variety of actors in the formulation and implementation of local plans.

The historic decision of the new Government came to power in May 1996 to devolve 35-40 percent of state plan outlay to local governments to carry out schemes and programmes, developed sense of confidence among the different stakeholders in local planning. Along with devolving massive financial resources and powers to local governments, the State Government wanted to create necessary social vigilance and political will to make the decentralization sustainable. It is in this context that mass mobilization in support of decentralization reforms becomes important (Isaac and Franke, 2000:39). With this objective, the State Government decided to launch the People’s Plan Campaign as the instrument for social mobilization and generating the political will of the community to exert pressure on the State Government to strengthen and guard decentralization. In order to give policy guidance and leadership to the campaign, a High Level Advisory Committee was constituted by the State Government chaired by E.M.S., the first Chief Minister of Kerala (G.O.(Ms.) No. 10/96/Plg. Dated 30-07-1996) E.M.S. considered that the involvement of class and mass organizations in the development process a vital component of people’s participation and in his dissent note to the Ashok Mehta Committee asserted that neglecting them was a result of “prejudice against political parties and organizations oriented towards them” (Isaac and Franke, 2000:39). The People’s Plan Campaign established the democratic rights of the people to participate in the decision making process in local development and created a facilitating environment for
decentralized planning in Kerala. The local governments have been empowered and placed at the epicenter of the local development process and created functional clarity about their developmental responsibilities. The decentralized participatory planning significantly enabled the Panchayats as developmental local governments.

As part of decentralized planning, efforts have been taken to make use of the potential of the rich social capital of mass organizations in Kerala. It was widely recognized that the mass organizations can strengthen democratic participation and enhance the level of democratic consciousness of people in local development and governance. A unique methodology to ensure the democratic participation of all societal sections have been designed and implemented in the decentralized planning process. Many of the planning techniques, appropriate technologies and organizational forms had been developed experimentally in numerous micro-development projects spread over earlier decades (Ibid.:53). The leadership of the new State Planning Board, spearheaded by the People’s Plan Campaign were associated with these earlier micro-development experiments undertaken by the KSSP in different regions of Kerala. As we have already discussed in the previous chapter that the organizational structure, the methodology and the strong voluntary support base of decentralized participatory planning was significantly influenced by the Kalyasseri experiment undertaken by the KSSP in 1995, which paved the way for implementing decentralized participatory planning programme in 1996 by the LDF Government. The PPC was essentially an attempt to embed these ideas within the Panchayati raj structure (Rashmi Sharma, 2007:44).

The political ownership of the State Government and organizational leadership of the State Planning Board played an obvious role in implementing democratic decentralization and participatory planning in Kerala. The State Planning Board (SPB) was the implementing agency for the campaign and a
High Level Guidance Council headed by E.M.S. Namboodiripad and composed of Members of Legislative Assemblies (MLAs), Members of Parliament (MPs), senior government officials, leaders of mass organizations, cultural leaders and all former chief ministers of Kerala was set up (Rashmi Sharma, 2007:44). As the campaign involves tremendous amount of organizational work a small expert group consisting of 30 experts from various departments, whom had proven experience in voluntary work have been picked up on working arrangement and placed with the SPB (G.O.(Ms.) No.10/96/Plg.Dated 30-07-1996). This cell organized training camps and dealt with day to day issues, providing valuable feedback to the SPB (Isaac and Franke, 2000). The PPC developed some unique processes to generate a public discourse and involve people in the process for planning for development (Rashmi Sharma, 2007:44).

The PPC addressed some important development problems which affect the whole Kerala society and relevant to the consideration of the people of all societal sections. The developmental issues like, poor economic growth and stagnation of the economy, the poor quality of public services delivered by the service delivery institutions at the local level, the poor quality of life of the vulnerable social sections such as, dalits, tribes and fisher folks and the economic backwardness of women needs the democratic consciousness and participation of people. The methodology for participatory planning provided opportunity to the different societal sections to reflect on these developmental issues and contribute to resolve such issues at different phases or stages of the local plan formulation and implementation. Articles 243G, 243W, and 243ZD mandate the local governments to take to appropriate decentralized planning (Oommen, 2009:44). To translate these constitutional mandate in to practice, Kerala has initiated a genuine participatory methodology for local plan formulation and implementation. The important phases which facilitate democratic participation of the people in development planning are; Grama
Sabha, Development Seminar, Projectization, Local Plan Formulation, Plan Appraisal and Plan Approval.

4.2.1. Grama Sabha:

The participatory local planning process begins with Grama Sabha/ward sabha meetings to identify the felt needs of the people and the community in different electoral constituency of a gram panchayat or municipality. The Grama sabha is the mandatory forum of the people to articulate their development needs and forward them to local government as useful input for local plan formulation. The PPC made all efforts to strengthen the significance of grama sabhas as an effective democratic forum to ensue participation of the people of different societal sections in the plan formulation process. To overcome the problem posed by large size of the panchayats in the state, the Kerala legislation limited the Grama sabha to the voters in a ward (Isaac and Franke, 2000:81). Even then, the average size of voters in a ward comes 1500 to 2000 members. Such a large membership make grama sabhas unwieldy to conduct any meaningful democratic discourse on local development. In order to make Grama sabhas a useful forum for need assessment as part of local plan formulation, a sub-group approach was followed in conducting grama sabha meetings.

This small-group arrangement made it possible for ordinary people, particularly women, to be able to participate in the discussions (Isaac and Heller, 2003:91). Effective functioning of the grama sabha would also be vital for ensuring transparency in the preparation and implementation of the plans (Isaac and Franke, 2000:81). Grama sabha is conceived as a useful institutional set up for democratic governance, accountability and transparency at the local level. It is the only democratic forum at the local level which can ensure the participation of all the voters in the decision making process in local governance and development. The small group approach in conducting grama
sabha meetings as part of formulation of local plans provide opportunities for the ordinary people to discuss the development problems, indicate their priorities, suggest solutions and also to identify the potential resources available at the local level. The gram sabha discussions are facilitated by trained resource persons and the deliberations are recorded by the gram sabha coordinator, an employee appointed by the panchayat. The different subject wise sub-group level gram sabha decisions are consolidated and presented in the plenary session at the end of the gram sabha meeting. The participation of women, Scheduled Castes and Scheduled Tribes are also mandated through the sub-committees in the concerned subjects. During the Tenth Plan onwards the gram sabhas get very little opportunity to identify the local needs of the people as part of plan formulation.

The Kerala Panchayat Act 1994 and its amendment in 1999 mandated large number of functions and responsibilities to the Grama sabhas in local governance and development. Grama sabhas are envisaged as the effective institutional system for democratic decentralization by the Committee on Decentralization of Powers and recommended definite functions, powers and responsibilities (Committee on Decentralization of Powers, 1997:3). The powers and responsibilities of Grama sabhas mandated by the KPR Act 1994 and the amendment in 1999 related to local planning are;

- To render assistance in the collection and compilation of details required to formulate development plans of the panchayat;
- To formulate the proposals and fixing of priority of schemes and development programmes to be implemented in the area of Village Panchayat;
- To prepare and submit to the Village Panchayat a final list of eligible beneficiaries in the order of priority relating to the beneficiary oriented schemes on the basis of the criteria fixed;
• To render assistance to implement effectively the development schemes by providing facilities locally required;
• To provide and mobilize voluntary service and contribution in cash or in kind necessary for the development plans;
• To know the rationale behind every decision taken by the panchayat regarding the area of the Grama Sabha;
• To know the detailed item wise accounts of every expenditure incurred within the area of the Grama sabha;
• To identify the beneficiaries of various development projects based on clear cut eligibility and priority criteria;
• To mobilize local resources to augment panchayat resources;
• To Supervise development works as volunteer teams.

The Government of Kerala have taken a series of measures to strengthen Grama sabhas as critical institutions in ensuring people’s participation and to make it as a viable institutional system for democratic decentralization. The Government insisted on local governments to give wide publicity to Grama sabha meetings, nominate one official to be the Grama sabha coordinator, proper recording of the decisions of the meetings in the minutes book, proper recording of attendance of the gram sabha participants, endorsing Grama sabha minutes a public document and ensuring attendance of department officials in gram sabha meetings etc.(LSGD Circular No. 37806/L3/LAD Dated 10-09-1998 and No. 33276/ DP1/02/LAD Dated 09-08-2002). These policy decisions are taken by the State Government to exercise increased democratic control of Grama sabha in local plan formulation and to increase the trust of the people in this grass roots level democratic institution.
4.2.2. Working Groups:

The specific task of the Working Groups is to prepare development projects in different development sectors. The Working Groups are constituted with the democratic representation of all critical actors in local development planning such as, elected representatives, line department officials, voluntary activists, experts, civil society leaders and practitioners etc. Formation of Working Groups are mandatory in twelve development sectors assigned as functional domain of the panchayats. Local governments are free to constitute as many Working Groups as may be required depending on availability of experts (Government of Kerala, 2007:11). In order to ensure the democratic ownership of the elected council, it is mandated that each Working Group is headed by an elected member and the Working Group on Development of Scheduled Castes should be headed by an SC member and the Working Group for women and children by a lady member (Ibid.). It is insisted that a leading expert in the concerned development sector may be appointed as the Vice-Chairman and the department official transferred to the local government may be appointed as the Convener and other members from professionals, practitioners and voluntary experts. The local governments are free to identify locally available experts from among practitioners, professionals, voluntary activists, and from among qualified people from Government/Public Sector (serving or retired), NGOs, academic institutions, private establishments and from among outstanding individuals who have proven their capability and expertise in the concerned development sector.

In order to engender local development and to ensure a pro-poor development orientation it is insisted that at least one member of the Kudumbasree CDS and SC Promoters may be included in all the Working Groups. The Tribal Sub Plan Working Group is chaired by the elected head of the local government. All the tribal elected members, the Welfare Standing Committee Chairperson, senior most officers of agriculture, animal husbandry,
dairy development, social welfare, tribal development, LSGD, rural
development, industries, health, education and the engineer shall be members
of the TSP Working Group. The tribal promoters working with the local
governments would also be members of the TSP Working Group. The Working
Group have to do a lot of responsibilities related to local plan such as, prepare a
note on the key issues facing the sector, Identify the existing development
gaps, identify the potential for development in that sector, appropriate
development strategy to resolve these identified problems and to suggest the
programme intervention and projects for achieving the potential for
development. Formulation of detailed projects based on the development
strategy finalized by the elected council is also the responsibility of the
Working Groups. As part of monitoring the plan implementation and assessing
the physical and financial achievements of local plans prepared by local
governments, a prescribed format for project preparation was stipulated by the
Local Self-Government Department during the Tenth Plan period and it was
subsequently revised during the Eleventh Plan period. The template for project
formulation clearly describes the background, rationale, objectives,
beneficiaries, activities, financial analysis, mode of execution and monitoring
system. This stipulated format is useful for monitoring and evaluation during
the course of implementation and assessing the financial and physical
achievements of local plan.

4.2.3. Development Seminar:

After completing the Grama sabha meetings the local governments
have to prepare a draft development report, which clearly explains the
development vision and strategy of the local government. These reports
(envisaged to have 15 chapters) sought to make an objective assessment of the
resource potential and problems of the grama panchayats, on the basis of which
a list of recommendations are to be made (Rashmi Sharma, 2007:46). This
document is prepared based on the outputs of the Grama sabha meetings, the
suggestions of the critical stakeholders and the status report prepared by the working groups in different development sectors. The status report give a critical note on the achievement of the last year plan, a note on key issues facing the sector, existing gaps, local potential for development in the sector, strategies for addressing the issues and achieving the potential for development (Government of Kerala, 2007:13). The composition of the participants in the development seminar is much more representative in nature and learned. Along with Grama sabha representatives, the elected representatives, the working group members, the representatives of various mass organizations and stakeholder groups, the elected representatives of higher tier local governments, local leaders of political parties, line department officials, representatives of financial institutions, academic experts etc. are to be invited and ensured of their participation in the development seminar. The Guidelines for formulating the Twelfth Five Year Plan endowed the responsibility of presentation and discussion of the draft plan document by the development seminar (Government of Kerala, 2013: 15). The development seminar provide opportunity for a more deeper and serious type of deliberation. Development seminar attempts to make an objective assessment of the development situation and propose strategic solution to the development problems in a rational manner.

4.2.4. Project Formulation:

The development seminar ends with concrete suggestions and recommendations regarding the intervention strategy in each development sector. The project formulation in each sector has to be undertaken by the Working Groups in the concerned sector with a comprehensive vision on development of that sector and part of a comprehensive development programme. The quality of development projects depends on the capability and dedication of the Working Group members. Massive training intervention have been carried out during the Ninth Plan period to ensure the quality of
development projects. The objective of projectization phase during the Ninth Plan period was to train the task force members (renamed in to Working Groups during the Tenth Plan) to draft project proposals with a uniform format and to ensure that individual projects were conceived with awareness of their forward and backward linkages to achieve the maximum degree of overall integration (Isaac and Franke, 2000:128). The Working Groups have to take into consideration of the allocation of financial resources and the development strategy formulated by the elected council as part of the plan. During the Ninth Plan period a common project format was developed and adopted for project formulation. Accordingly, every project contains eight parts describing the different components of a project such as, introduction, objectives, beneficiaries, activities, organization, financial analysis, assessment and monitoring (Ibid.:131-32).

In order to facilitate the process of project preparation and for district and state level monitoring a template was developed for project formulation during the Tenth Plan period. The high degree of bureaucratization in the planning process resulted in weakening the role, and sometimes withdrawal of the voluntary experts from the Working Groups. Project formulation became the responsibility of the staff of the Panchayats and the whole process became highly trivialized. During the Eleventh Plan a software application called ‘Sulekha’ was developed by the Information Kerala Mission (IKM), the nodal agency for ICT application in local governance and development planning under the LSGD”. The template developed as part of online project preparation make the process so easy, at the same time the danger of trivialization continued in the formulation of development projects during the Twelfth Plan period. In order to ensure the quality of projects the Twelfth Five Year Plan Guidelines stipulated the specific responsibility of Working Group conveners (concerned implementing officers) to fill up all the relevant details of the project in the prescribed format and to strictly follow the Guidelines.
issued by the Government for project formulation (Government of Kerala, 2013: 18).

4.2.5. **Formulation of Local Plans:**

Plan finalization is the legislative democratic right of the elected council of the local government. Based on the development vision and strategy of local plan formulated by the elected council, a sub-committee constituted by the council consisting of head of the local government, standing committee chairpersons, secretary, and few other members of the Working Group consolidate the development projects and finalize the plan document. After completing the development seminar, the elected council of local government meet along with key members of the Working Groups and consider the suggestions and recommendations of the development seminar and make appropriate modifications in the development strategy and financial allocation to different sectors and sub-sectors. The decisions of this meeting is communicated to the sub-group entrusted with the responsibility to formulate the plan document. The structure of the plan document is clearly specified in the Guidelines issued by the Government for the preparation of annual plan and five year plan by local governments. The Guidelines stipulate that local governments have to incorporate a separate Anti-Poverty Sub Plan, Tribal Sub Plan, Maintenance Plan, Governance Plan along with the plan document.

The Twelfth Plan Guidelines also stipulated that the annual plan outlay of local government have to be estimated in a realistic manner and the Finance Standing Committee has to take the initiative to do this responsibility (Government of Kerala, 2013: 17). Following the final decision of the elected council on sectoral allocation of plan funds, mandatory/compulsory allocation to different flagship programmes of the Central and State Governments and based on the sectoral deviation to be compensated during the previous year the plan document is finalized by the sub-committee for plan formulation and then
finalized by the Finance Standing Committee. Based on the suggestions and recommendations of the Finance Standing Committee the plan document is presented in the elected council for approval and finalization. The Twelfth Plan Guidelines establish the democratic rights of the elected council for detailed examination of the plan document and its deliberations. It is stipulated that at least three days time is given to the elected council members after presentation of the plan document for detailed verification and discussion before its approval (Ibid.:25). The final plan document, after its approval by the elected council of the local government is to be submitted to the District Planning Committee for approval and to higher tier local governments for information.

4.2.6. Appraisal of the Development Projects:

One of the innovative institutional systems innovated by the decentralized planning in Kerala was the Voluntary Technical Corps/Technical Advisory Committees constituted to ensure the technical and financial viability of the development projects formulated by local governments. This institutional system significantly contributed to enhance the quality of projects and transparency in development planning at the local level. The High Level Guidance Council did not originally visualize to constitute this institutional system at the time of launching the PPC. But the experience with project preparation showed that the technical soundness of projects remained a problem (Rashmi Sharma,2007:51). The projects prepared by tens of thousands of volunteers and by elected representatives who had no prior experience in plan preparation were deficient in technical aspects, especially in financial analysis (Isaac and Franke,2000:182). Even the line department officials have no practical experience in formulation of locally specific development projects during the initial years of decentralized planning. Therefore, a process of appraisal and vetting of the project was incorporated as part of the methodology of decentralized participatory planning. Originally a team of non-official technical experts along with officials were included in the Voluntary
Technical Corps (VTC) for plan appraisal and project vetting and latter it was renamed as Expert Committees/Technical Advisory Groups (TAGs). The different levels of TAGs are constituted with experts from departments, professional colleges, academic institutions, private/public sector organizations, NGOs, Bankers and from among retired personnel and practitioners as members (Government of Kerala, 2007:19). The TAGs functions as an advisory arm of the District Planning Committee (DPC) and also provide advise to the local level resource persons. The Constitution of India mandated that the DPC can make use of the service of institutions and organizations for consultation and for expert advice in discharging its functions.

The functions and responsibilities of the TAGs are clearly enumerated by the Guidelines for local plan formulation as;

- Ensuring that the local government plans are in accordance with the mandatory guidelines issued by Government particularly in relation to investment ceilings for the broad sectors, subsidy limits, sectoral guidelines, priorities to various groups, intelligible categories for assistance etc.
- Ensuring that the plans are in accordance with prevailing technical guidelines
- Verifying whether the costing is appropriate and the phasing is reasonable.
- Giving suggestions for innovative plans and integrated projects, which local governments may accept if they so desires (Ibid.:20).

There was much criticism against the Expert Committee and TAGs that these institutions create a parallel institutional structure to the elected local governments and they curb the freedom and autonomy of elected representatives and officials of local governments. These institutions...
significantly contributed to make local planning process transparent and exert control over bureaucratic dominance in development planning. The UDF Government came to power in 2011 took the political decision to abolish this innovative institutional structure as part of the Twelfth Five Year Plan. The responsibility to ensure the technical and financial viability of the development projects are now vested with the officials and the supervisory officials of the concerned department (Government of Kerala, 2013:25-26). A software application for the online appraisal of the projects have been developed by the IKM and the collective verification and vetting process for issuing technical sanction by the expert committee has ended with Twelfth Five Year Plan.

4.2.7. Approval of Plan Document by the District Planning Committee:

The responsibility for approval of the plan document prepared by local governments vest with the District Planning Committee (DPC). During the last three Five Year Plans, the responsibility for approving the development projects along with the plan document vested with the DPC. The Twelfth Five Year Plan Guidelines shifted the responsibility of project approval from the DPC and gave it to the officials of the concerned departments. The DPC gives approval of the plan document after ensuring that the process of plan formulation stipulated in the Guidelines are to be adhered to and fulfilled by the local government. In case of any deviation or flaws the DPC can direct the local government to modify the plan document and resubmit the same to the DPC for approval. If the DPC feel that modification of a local plan is necessary, direct the concerned local government for a detail discussion with the elected head and key representatives of that local government and suggest them to change the plan document according to the Guidelines issued by the state government. The Twelfth Plan Guidelines for Formulation of Local Plans also stipulate that in case of any modification in the approved projects included in the plan, should get the approval of the DPC (Government of Kerala, 2013:30).
4.2.8. Effect of Democratization on Decentralized Planning

The different participatory institutional set up created as part of decentralized participatory planning provided new avenues for different societal sections to participate in the democratization process at the local level. The traditional involvement of people in local governance and development was very little and they seldom are aware of the functioning of local government and implementation of development programmes. Only the active members of the political parties and very few civil society activists were associated with the democratic institutions at the local level. The representative democracy at the local and higher levels have its limitations of outreach to the common people. The decentralized participatory planning and the innovation of micro level institutional set up empowered the people and raised their political consciousness and trust in participatory local governance. Democratic decentralization of planning implies that people can be involved not merely in making demands but in taking decisions on how to improve their lives and their communities (Isaac and Franke, 2000:7). The decentralized participatory planning aroused the enthusiasm of the common people to break the traditional bureaucratic centered administration and to establish people-centric governance and development at the local level. The political strategy of consensus building among political parties on issues of local development helped people of different ideological streams to come together and to participate in the democratic decentralization and participatory planning process in Kerala. The combined efforts on the part of State Government in administrative decentralization, fiscal decentralization and political decentralization significantly helped to strengthen the participatory governance and development process at the local level.

The campaign strategy adopted for decentralized participatory planning aroused the enthusiasm of people of all societal sections to participate in different institutional structures created at the local level. The multi-stage
process of decentralized planning provide opportunity for people to participate in the most appropriate level during the planning process or in the implementation of local plans. The bottom-up participation process in development planning helped them to increase the level of political consciousness and empowered to participate in developmental deliberations. The devolution of authority and resources to LSGIs has significantly reduced the transaction cost of participation, and the knowledge-capacity gap that has traditionally excluded ordinary citizens from playing an effective role in governance has been considerably narrowed by mass training programs, the active mobilization of civil society expertise, and concerted efforts to empower historically marginalized groups—women, adivasis (“tribals”), and dalits (“untouchables”) (Isaac and Heller, 2003:79).

Democratic decentralization in Kerala aimed to break the traditional agency approach in implementing programmes designed by the central and state governments and to make them as the epicenter of local development based on the local needs and design programmes based on local circumstances. Decentralized planning provides scope for each local governments to pursue their own development strategy and design programmes and projects based on the choice of the people in the region. They can achieve maximum allocative efficiency. Local governments designed alternative organizational structure for formulating and implementing local plans. Traditionally, local governments has to operate only through the local bureaucratic organization in implementing development programmes. The elected representatives greatly relied on local bureaucracy in implementing the traditional civic responsibilities, mandatory functions or other developmental responsibilities of local governments. Bureaucratic dependency of the elected representatives was one of the major shortcomings of local governments in the pre-decentralization period. The commitment and accountability on the part of local bureaucrats was very limited and they have failed to meet the demands of the people in time. Most of
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the elected representatives were ill-informed and they do not know the details of local administration. Even though, the local level bureaucrats are professionals, they lack professionalism in their approach and action and failed to attain efficiency in local development.

The voluntary activists worked with local governments in different participatory structures have substantive commitment and public rationale. Most of them have proven capability in different development sectors and have honest track record. The presence of such a team of committed retired professionals exerted pressure on the local bureaucracy to work with commitment and trustworthiness. The presence of large number of voluntarism driven activists was a valuable social capital for local governments to steer local development programmes and its implementation. The presence of voluntary activists in the development planning process changed the relationship between elected representatives and local bureaucracy. The old stance of mystification in local administration and development process ended and the local bureaucracy was forced to work more closely with the elected representatives. The old style of stereo type development programmes paved the way to alternative and innovative development programmes which are more appropriate to local demands and needs.

It is significant to note that the process of planning continued to evolve over the years without the support of a legislative decision and sound legal framework. Actually a learning while doing approach was adopted along the way. Ultimately, local level planning has been institutionalized in Kerala during the last two decades, in spite of certain quality constraints existing in the process and procedures. Citizens were considerably empowered to participate in grama sabha meetings and give their suggestions in formulating local plans. Kerala has been widely acknowledged as a state that has progressed in promoting local democracy and decentralized planning far outdistancing all
other Indian states (Oommen, 2004:2). In Kerala genuine attempts have been taken to devolve powers and resources to local governments along with sufficient autonomy to function as self-governing institutions. Simultaneously massive efforts have been made to build the requisite capacity of local governments to exercise these powers and to build the trust of elected representatives and people in local governance. The participatory local planning exercise provided sufficient functional and financial freedom for local governments to formulate locally relevant development programmes and projects based on their local needs. The decentralized participatory planning process and the innovative methodology offered new lessons for democratization in development planning through social mobilization and empowerment of the people. The new environment of awareness building and public discourse on development significantly contributed to democratic transformation of the society.

4.3. Decentralization and Participatory Democratic Structures in Local Governance

Democratic decentralization generate a new democratic wave for political participation in local governance and development. Democratic decentralization facilitate to promote and strengthen democratic values and practices and strengthening participation of the people. Building of different democratic institutions and developing new systems and procedures as part of decentralization empower people and encourage them to participate in local democratic governance and development process. But the challenge is to make these values part of our daily lives so that citizens can feel confident that democratic systems are ways through which they can improve their lives, open spaces to promote their ideas without fear, and instruments to mobilize their own interests and demands within transparent and solid institutional framework (Insulza, 2006:11).
Democratic decentralization and the initiative for participatory planning in Kerala aroused the enthusiasm and trust of the people in the local government system. People generally believed that the various avenues of political participation created by democratic decentralization would be useful to promote the lives and protect their interests within the new transparent and institutional frameworks. Democracy and development are indispensable elements of a virtuous circle in which economic development contribute to the strengthening of democracies to make them capable of generating processes that lead to progress and well-being (Ibid.:12). The LDF Government in Kerala strongly believed that local governments must foster the participation of all societal sections in the development planning process and local governance. Participation is a fundamental element of transparency, accountability and responsiveness which lead to de-bureaucratization and democratization of local governance and development planning. Democratic decentralization in Kerala put significant efforts to strengthening these features as part of transforming democratic local governance.

The Committee on Decentralization of Powers in its interim report defined the principle of People’s Participation as follows;

It is necessary to involve the people fully, particularly those sections hitherto excluded from the development process. And participation should not be limited to mere information giving or consultation or contribution or even, seeking prior concurrence. It should reach the level of empowering the people to take their own decisions after their analyzing their situation. Genuine participation is not the same as mobilization.

The LSGIs provide the institutional structure to facilitate participatory democracy. The reservation of seats for women, Scheduled Castes and Scheduled Tribes in the various LSGIs is meant to ensure greater participation
of vulnerable sections in the process of development. People’s participation should be there in all stages of a development programme right from identification of a need and formulation of a scheme through its planning, implementation, operation and maintenance as well as monitoring and evaluation phases. The Grama Sabhas and Ward Committees are ideal vehicles for promoting direct decision-making and mobilizing local resources in cash, kind and labour (Committee on Decentralization of Powers; Interim Report, 1996: 4-5).

4.3.1. Grama Sabha:

Democratic decentralization significantly contributed to achieve participatory democracy and innovated large number of institutional structures for democratic participation of people of different societal sections. New set of procedures for development decision making and identification of beneficiaries of development was stipulated by the government. These procedures are feasible and acceptable to the common people and quite easy to practice at the local level. The institutional system like, Gram Sabha allows every member to participate in the decision making process. Grama Sabhas have been given clear rights and responsibilities with absolute powers for identification of beneficiaries, wide powers for social audit and strong advisory powers for prioritizing developmental needs (Vijayanand, 2009:16). There are certain in built mechanism to avoid dominance of any political personality or group in the deliberations and recording decisions of the Gram Sabha meeting. Proper role of every member is ensured in the gram Sabha meeting and every one is free to express his/her view during the course of Grama Sabha discussions. The accountability of the local bureaucracy to the Grama Sabha members are also stipulated in the Kerala Panchayat Raj Act.
Grama Sabha is the most powerful local level institutional structure to practice participatory democracy and translating the democratic principle of “rule by the people”. The collective decisions of the people in the Grama Sabha is binding on the local governments and in case of any failure to implement such decisions, local governments are bound to report back to Gram Sabha regarding such failures. In taking decisions in the Grama Sabha meetings the concerns of all people who live in the region/ward has to be taken in to consideration. The dynamics of group aspect of democracy is operating at the Grama Sabha meeting and differences of opinion are finally sorted out and arrive at consensus. Grama Sabha create an atmosphere of recognizing conflicting views, because the decisions are taken by the people, rather than an elite should decide what to do is. The Kerala Panchaayat Raj Act stipulated clear provision for practical methods for making decisions at the Grama Sabhas.

4.3.2. Civil Society Organizations and Community Based Organizations

According to Stoker “Local governance can be defined as a process in which governing outcomes depend on the interactions of a complex set of institutions and actors drawn from, but also beyond, local government” (1998:19). This definition postulates that governance as a process promotes growth of networks and partnership with other mass organizations within the civil society. The networks and partnerships within civil society associate with local governments in carrying out their responsibilities and ensure better development outcome. From the 1990’s onwards, the local governments widely began to make use of the community level organizations in the process of governance. Citizens began to participate, either individually or collectively in the decision making process of local governments. A new dynamics of relationship between civil society organizations and local governments emerged in the early 1990s. The large number of institutional systems opened up by the participatory democratic process enhanced
opportunities for the civil society organizations to play a creative and meaningful role in local democratic governance and development. The civil society organizations also played significant contributions to educate the citizens and facilitate informed participation in the decision making process at the local level.

Democratic decentralization in Kerala provide some good lessons for a synergy between civil society organizations (CSO) and local governance. Decentralized participatory planning opened up large number of opportunities for CSOs to participate in democratic governance at the local level and development. Decentralization promotes CSOs to involve in local governance and make it more responsive and nurture democratic culture in development process at the local level. Civil society maintain vigilance to make local governance advantageous to the disadvantaged sections of the population such as, poor, women, children, scheduled castes and scheduled tribes. CSOs give meaningful contribution to protect the rights of the underprivileged and marginalized social groups. It is now widely accepted that a robust civil society –defined in terms of its” norms of reciprocity and networks of civic engagement “ and embodied in different types of civic institutions- enhances the effectiveness of democratic institutions (Isaac and Heller,2003:83). The representative form of democracy creates a distance between the state institutions and their decision making from individuals and families who are relatively powerless (Rajesh and Ranjitha,2002: 5). Building solidarity and associations across citizens help them to mediate and negotiate their aspirations and interests with the state. (Ibid.).The civil society organizations positively contribute to empowering citizens and articulate their common interests vis- a-vis the state institutions. Many observers have noted that Kerala boasts a vibrant and robust associational life, marked not only by the activism of citizens, but also by a proliferation of NGOs and community- based organizations and the highest rates of unionization in the country (Isaac and Heller,2003: 84).
The thrust of these movements was to democratize the state and create fundamental freedoms and liberties of their citizens (Rajesh and Ranjitha, 2002:5). In such a formulation, the civil society began to be equated with the process of democratization in political structures and systems (Ibid. 5-6). Civil society organizations can promote good governance i.e. administrative efficiency, transparency, responsiveness, curbing corruption, rule of law, accountability etc. NGOs and Community-Based Organizations have been offered new opportunities for engaging directly in development and there has been a concerted effort to create new linkages between professionals and academic institutions and communities in order to bring expertise (especially during the transitional phase in which the bureaucracy has been less than cooperative) to the grassroots (Isaac and Heller, 2003:86). This association between “good governance” and democracy is vigorously pushed into the development discourse by the bilateral aid agencies by making aid conditional to promotion of regular election, promotion of human rights and rule of law (Rajesh and Ranjitha, 2002:9). Civil society organizations, nevertheless, have been interrogating and putting pressure on the state to broaden the scope of making public policy exercise to include the interests of the marginalized which are absent in the current policy provisions (Ibid.:12). Democratic decentralization provided opportunity to formulate development policies at the local level. Local level actors can also influence the policy formulation at the higher levels. Collective efforts and action to safeguard the interests of the people in the region and to solve their local problems.

4.3.3. Kudumbashree

Kudumbashree is another institutional innovation of democratic decentralization in Kerala and has played a significant role to ensure participation of women in the decentralized system of governance and development. Kudumbashree add pressure to reform local governance and development process both theoretically and in practical terms. Kudumbashree
addressed the issue of gender imbalance in poverty and livelihood of the people, particularly among the most deprived social sections and offer an alternative solution to the previous failures of a male dominant society. Increasing the participation of women in local development through political empowerment and strengthen livelihood promotion opportunities are the objectives of Kudumbashree. Kudumbashree opened new spaces for participation in development planning and in decentralized local governance. The Kudumbashree now functioning as a sub-system of local governments must be refashioned to function as a viable women empowerment programme (Oommen, 2009:93). It functions as the poverty alleviation sub-system of local governments and the largest network of women’s organization in the state in local development and governance. The basic unit of Kudumbashree is the women Neighbourhood Groups (NHGs) that federate in to Area Development Societies (ADS) and which in turn federate in to Community Development Societies (CDS) at the local government level.

The Government of Kerala entrusted certain important responsibilities to Kudumbashree in development planning. Preparation of Anti-Poverty Sub Plan of local governments is the specific responsibility mandated by Government to Kudumbashree (G.O.(Ms) No. 128/2007/LSGD Dated 14-05-2007). Anti-Poverty Sub Plan is an integral part of the plan document without which the DPC will not approve the plan of the local government. The CDS and the ADS formed as part of the Kudumbashree, have to play a meaningful role in the formulation of the Anti-Poverty Sub Plan and integrating the same with the plan of the local government. In the formulation and implementation of the Ashraya projects, and extending care services to the most deprived social sections, Kudumbashree have to render support to the local governments. The organizational structure of the Kudumbashree and the continuous capacity building prorgames make women better aware of the multiple socio-political factors causing gender inequity and economic backwardness of women in
Kerala and equips them to find ways to resolve them through local governance and development. The organizational linkage between Kudumbashree and local governments in development planning has been able to play a decisive role in engendering local governance and to motivate elected representatives to formulate pro-poor and humane development policies.

Kudumbashree as a mass organization has made remarkable contributions in the democratization process of local governance during the last one decade and became an integral part of the local development in Kerala. It is widely accepted that Kudumbashree has played a significant role to forging linkage between local governments and women neighbourhood groups and strengthen their democratic participation in different institutional systems at local level such as, Grama Sabha, Working Groups, Development Seminar, Beneficiary Committees etc. Moreover, local governments greatly depend on the Kudumbashree for the implementation of different flagship development programmes, including Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), National Rural Health Mission (NRHM), Ashraya etc. Through the Kudumbashree networks, Panchayats in Kerala successfully undertake its community development responsibilities and taking decisions on matters related to poverty reduction based on the micro plans prepared by them. A wide variety of functional responsibilities are performed by the Kudumbashree as part of local governance and development such as, ensure participation of women in Grama Sbhas, provide expertise in the formulation of development projects in women and child development, assist in the selection of beneficiaries, monitoring of the implementation of anti-poverty sub-plan, empowerment of women, assist to collect relevant local level data for informed decision making and grooming local level leaders to contest elections to local governments. 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.
4.3.4. Beneficiary Committees

In Kerala’s traditional system, development planning was the arbitrary and patronage-driven domain of elected representatives and implementation was the prerogative of the bureaucracy (Isaac and Heller, 2003:96). An innovative contribution for making the decision-making process more participatory was to ensure the participation of beneficiaries in project implementation. Participation of beneficiaries increase the quality of development outcome and efficiency in resource utilization. With this objective, a unique institutional structure called Beneficiary Committees have been created in a democratic manner to implement public works projects. Local bodies have taken up a large number of public works programmes under the People’s Plan Campaign (A.R.V. Pillai, Jayaprakash and Ajith, 2000:1). Instead of implementing public works through contractors, local bodies were encouraged to form committees of project beneficiaries to undertake the task (Isaac and Heller, 2003:96). In the pre-decentralization period public works projects at the local level were mostly executed by contractors or the so called’ nominees’, which resulted in large scale rent seeking and corruption. One of the significant rationale behind this institutional innovation was to break the unholy nexus between politicians, contractors, government engineers and officials and to curb corruption in the management of public works. If the contractors can be avoided from local level public works the large scale pilferage of public money can be avoided (A.R.V. Pillai, Jayaprakash and Ajith, 2000:1). In order to achieve this objective, clear provisions have been incorporated in the legal framework such as, local market rate in the estimate for procurement of materials, preparation of estimates in laymen’s language, provision for mobilization and procurement advance to beneficiary committees, authority to the VTC/experts committees for supervision, recording measurement and bill preparation etc.
The Government of Kerala formulated separate Local Government Public Works Rules in 1997 (Go.No. 216/97 Dated 23-09-1997) and stipulated the legal status and authority of beneficiary committees. These rules clearly included provisions for transparent and participatory implementation and monitoring of public works projects. Another important advantage of the beneficiary committees (BCs) is that they make the implementation of public works projects congenial to social auditing and participatory monitoring. The new Public Works Rules of Local Governments stipulate provision for exhibiting boards which include all details of that work for public scrutiny. The new rule also insisted that all documents related to the public works such as, detailed estimate, schedule of rates, measurement, bills related to procurement of materials etc are public documents accessible to the people on request and remittance of specified fees by the local governments. The ownership of beneficiary committees also help them to mobilize local resources, both voluntary and financial from the community. The shifting of technical sanction process from the department officials to the experts committees at different levels was supportive to the beneficiary committees to implement the public works projects. The beneficiary committees have given legitimate authority to implement public works projects such as, construction of roads and bridges, buildings, irrigation structures, drinking water projects etc. The implementation by beneficiary committees was accepted as an approved mode of execution of public works and provided legal protection in the Public Works Rules of Local Governments. Popular involvement increases problem-solving efficiency through better and more rapid feedback and increases accountability by multiplying the points of scrutiny (Isaac and Heller, 2003:96)

4.3.5. The Participatory Structures for Institutional Management

The decentralized planning process created several participatory structures for the citizens which offer scope for formal intervention in the planning and implementation of development programmes. These institutional
systems make elected representatives and officials responsive and accountable in all the phases of the planning process. These micro-level structures facilitate democratic participation of different sections of people in the decision making process as part of development planning and its implementation. These institutional structures act as instruments of effective participation and sound accountability. Democratic consultative committees formed as part of effective management of different service delivery institutions like, schools, anganawadis, hospitals etc. are also significantly contribute to strengthen social accountability of local governments.

4.4. Democratic Accountability, Transparency and Responsiveness in Local Governance

Accountability and transparency are significant factors which determine the democratization process in local governance and development. Everyone agrees that the evils of corruption, nepotism, arbitrariness and inefficiency of government at different levels can be curbed or reduced through mechanisms of accountability. Institutional systems of accountability make elected representatives and officials answerable, explainable and responsible to the people. The elected representatives and officials had and still have some vested interests to hold power and exercise power in an arbitrary manner. This is reflected in their not-so-friendly or even the hostile attitude towards the decentralization process and strengthening of the local government institutions (George Mathew, 2007:309). Of course, the traditional actors in local governments strive to hold their powers and authority and follow mystified process and procedures. Accountability is the antithesis of clientelism resulting in the abuse of power, misappropriation, and misutilization of public resources (Ibid.:311). Accountability promotes the intrinsic values of democratic governance such as, participation, responsiveness, transparency and efficiency in public spending.
As part of decentralization, Kerala chose to follow an unconventional approach and potentially risky strategy of big bang. A “series of reversals“ followed- of conferring responsibilities and then building capacity, of giving powers and then creating procedures and administrative operating systems, of devolving funds and then setting up accountability mechanisms (Vijayanand,1996:80). Democratic decentralization in Kerala made all efforts to strengthen instruments of transparency and accountability in local governance and development process right from the very beginning of People’s Plan Campaign in 1996. Democratic decentralization in Kerala deliberately created institutional systems, procedures and process which make elected representatives and local bureaucracy accountable to the people and the community at large. The architects of democratic decentralization conceived that democratizing local governance and development process can be achieved only through a transparent and accountable system of governance. It was expected that democratic decentralization and the systems of transparency and accountability are essential conditions to avoid clientalism, arbitrariness in decision making and corruption in local governance. Transparency and accountability are expected to reduce rent seeking in development activities (Vijayalakshmi,2002:1). In order to strengthen accountability and transparency democratic decentralization made every effort to stipulate clear provisions for democratic participation in decision making, accountability of elected representatives and bureaucrats to the people, strong institutional systems and opportunity for deliberations and public discourse.

The normative principles of accountability as part of decentralized governance and development was clearly laid down by the Sen Committee in its interim and final reports. The preliminary defined the principle of accountability in its interim report as:
The LSGIs are accountable to the people within their jurisdiction, and, in certain respects, to the whole nation. The accountability to the people is not to be left to the elections alone to be settled. There has to be provision for continuing social audit of the performance of the LSGIs in the Grama Sabhas and Ward Committees as well as by special groups. The accountability to the nation can be ensured through the objective audit, both concurrent and post facto (Committee on Decentralization of Powers, 1996:6).

The Sen Committee also clearly defined the principle of transparency in its preliminary report. It says;

Every decision taken has to be based on norms and criteria evolved on the basis of social consensus and rationale behind each decision has to be made public. There should be freedom to the people to know every detail of how money is going to be spent, before a scheme is taken up; and how it was spent, after its completion. The procedures and the language of administration need to be demystified and made people-friendly (Ibid.).

The political dimensions of accountability of elected representatives in local governments are traditionally determined and mandated in the legislative enactments. They have a tenure of five years, to represent the interest of their constituencies, and to be instrumental in the planning of developmental activities (Vijayalakshmi, 2002:2). The traditional accountability system in a representative democracy is limited to the electoral accountability of elected representatives to the people during the time of election. In a participatory democratic system, specific institutions have to be created to ensure the accountability of the elected representatives and officials.
4.4.1. Grama Sabhas/Ward Sabhas as Instruments of Accountability

In order to ensure accountability of elected representatives and officials to the people, a wide variety of social accountability mechanisms have been created as part of democratic decentralization and democratizing local governance in Kerala. Gram sabha is the most powerful institution of social accountability and people can examine the “whyness” and “rightness” of the decisions of local government from the citizen and society’s point of view. Gram sabha provide opportunity to the people to know the rationale of the decisions taken by elected representatives and officials and exercise the right to question. Gram Sabha also provide opportunity to question and exercise the right to influence the decisions of the elected representatives and officials. Meeting four times in a year focusing respectively on plan formulation, beneficiary selection, functioning of institutions and monitoring of development programmes, Grama Sabhas/ Ward Sabhas are the basic fora of social accountability (Vijayanand, 2006:84). Grama sabha meetings provide useful opportunity for the people to ensure the responsiveness of elected representatives and officials in the selection of development projects, selection of beneficiaries, seek justification of the decisions of local governments, resource allocation and its utilization and also the action taken on the audit report. Grama sabhas/ ward sabhas can also constitute social audit team to examine the financial and administrative details of development programmes implemented in the region. The Grama Sabha may in its ordinary meeting or special meeting convened for the purpose, discuss the reports and it shall have the right to know the budgetary provisions, details of plan outlay and the subject wise allocation of funds and also the details of estimate and cost of materials of the works executed or proposed to be executed in the area of the Gram Sabha.
4.4.2. Performance Audit System

The massive financial devolution and utilization of huge amount of funds by local governments demands systematic auditing. Auditing is not to be viewed as an instrument of control by the State Government; it is to be seen as an impartial professional support system, working as the antenna of the public, keeping track whether the use of public funds is according to accepted laws, procedures and conventions (Final Report of the Committee on Decentralization of Powers, 1997:43). A performance Audit system has been put in place to provide auxiliary as well as concurrent audit focusing on procedures and processes. The rationale of setting up of the Performance Audit system was that, making local governments as autonomous political entities and reduction of the role of Government and the Local Self-Government Department as the controlling and disciplinary authority over local governments, there is need for an internal audit system to oversee the financial discipline and maintain the financial accountability in the utilization of public funds. Moreover, the massive devolution of financial resources to local governments as development fund, the volume of public spending increased manifold and local governments’ only check is approval of the plan document by the District Planning Committees. In order to ensure the efficient and effective utilization of public funds by local governments, the Committee on Decentralization of Powers envisaged an independent Audit Commission with professional leadership (Ibid.:44). Along the present statutory auditing of the Local Fund Audit Department and the selective Audit of the Comptroller and Auditor General, the Committee on Decentralization of Powers in its final report submitted in 1997, recommended the creation of the Performance Audit System for conducting an on-line corrective audit on a concurrent basis to improve the quality of maintenance of accounts and observing the procedures stipulated by the Government in implementing development projects and efficiency in public spending.
Based on this recommendation the Kerala Panchayat Raj Act was amended in 1999 and incorporated the provision for an internal audit system in section 188. Accordingly the Rules for Performance Audit System was formulated by the Government in 1997 (G.O.(P) No.235/97/LAD Dated 17-10-97). The LGSD Secretary was appointed as the ex-officio Performance Audit Authority and appointed the State Performance Audit Officer as the head of the performance audit system. In order to conduct performance auditing of local governments regularly, at an interval of once in every three months, the Government can appoint regional performance audit officers and staff and place them under the control of the State Performance Audit Officer. The functions and responsibilities of the Performance Audit System are clearly listed in the rules formulated by the Government in 1997. The rule governing the performance audit system stipulate that the performance audit report has to be presented in the Panchayat Committee meeting for discussion and the Panchayat should rectify the defects and shortcomings in implementation of development programmes and give an action taken report to the Performance Audit Officer within a month. The Performance Audit Report and the Action Taken Report should be make available in the public domain and presented in the Grama Sabha meeting for discussion. Therefore, it is significant that the rules governing the performance audit function clearly established the democratic rights of the citizens to know the details of the implementation of development programmes and governance of Panchayats.

4.4.3. Social Auditing

The concept of social auditing has gained wide attention as a mechanism for ensuring transparency and accountability of local governments. Social audit is an independent evaluation of the performance and attainment of the social obligations and it starts from the principle that in a democracy the decision-makers should account for the use of their power (George Mathew, 2007:315). The positive and effective impact of social auditing is that
which make sure the financial and physical responsibility of local governments in implementing local development projects and to assess the performance of social service delivery processes. Grama sabha is the effective institutional forum for implementing social audit and ensuring social accountability at the grass roots level. As the Gram sabha is the ears and eyes of the people, it is the best social audit unit in our new democratic institutions (Ibid.). Grama sabha can appoint retired persons from different fields of expertise, NGO representatives, social activists, technical experts etc. in the social audit team.

Social auditing ensure mutual trust of the people and their democratic representation. Social auditing is a continuous process of public scrutiny and control of direction by the social audit team chosen by the Grama sabha. The social auditing team can specifically look into different issues in the public governance, development works, beneficiary selection process, reaching benefits to the genuine beneficiaries and delivery of public services at the local level. The social audit could be undertaken in the following places like, Grama Sabha, institutional meetings, beneficiary groups, neighborhood groups, or Kudumbasree units (KILA, 2006:40). The report of the social audit team should be initially presented in the Grama Sabhas and then placed before the Panchayat Committee for discussion and follow up action.

The Committee on Decentralization of Powers in its final report clearly suggested the responsibility of Grama Sabhas in conducting social audit. The report states;

Grama Sabha may appoint, elect or constitute sub-committees, consisting of not less than ten members of whom not less than half shall be women, for general or specific purposes for in-depth discussion of issues and programmes or for effective implementation of schemes, policies or decisions of the Grama Sabha (Report of the Committee on Decentralization of Powers, 1997).
The Committee on Decentralization of Powers also suggested that providing feedback on the performance of development programmes is another the social accountability function of Grama Sabha (Ibid.: 62)

4.4.4. **Right to Information**

The accessibility of information and the degree of transparency are widely considered as indicators of democratization of a society. Over a period of last two decades significant development happened in the country in the direction of strengthening the people’s struggle for democratic accountability and right to information. Information is necessary for citizens to participate in governance, especially at the local level (George Mathew,2007:317). Right to information is one of the basic entitlements of the people to participate in the decision making process at the local level and making use of different democratic institutions to protect their democratic rights. Every decision of the Government is kept under the carpet of secrecy under the pretext of protecting public interest where in fact it is mostly the private interest of a decision maker within the system or the beneficiary of a decision outside the system that is the motivating force in keeping a decision under the wraps (Report of the Committee on Decentralization of Powers, 1997:45). Democratic decentralization wanted to transform local governance and to strengthen the process of public disclosure of information to make local governance and development process transparent. The different micro level democratic institutions created at the local level can exercise their meaningful role in local governance only when they are entitled to get relevant information from local governments. A thick veil of secrecy hides inefficiencies, arbitrariness, corruption, and nepotism from public gaze (Ibid.:46). Therefore, clear legal provisions are needed to protect the rights of the people and to bring local governments more proximate and accountable to the people.
In the final report of the Committee on Decentralization of Powers recommended for a regular system at the LSGIs level for providing information *suo motu* to the citizens. This would include information relating to functions and responsibilities, decision making processes, statutory applications, procedures, concessions, services and financial matters (Ibid.:47). The committee recommended to add a new chapter (chapter XXV) in the Kerala Panchayat Raj Act with Sections 271 A to 271 E for stipulating the right to information. The Kerala Panchayat Raj Act was amended in 1999 and the provision of Right to Information (Section 271A to 271E, KPR Act 1994) and Citizens’ Charter (Section 272A, KPR Act 1994) was included to ensure an accountable, transparent and responsive system of local administration at the local government level. It is widely recognized that these new provisions in the KPR Act was a trendsetting legislative decision to the Right to Information Act passed by the Parliament in 1995. In order to make the Right to information provision in the KPR Act more meaningful and operational, the necessary rules for keeping the relevant records in the Panchayats and to make it accessible to the citizens was formulated by the Government in 1998.

**4.4.5. Citizens’ Charter**

Democratic decentralization in Kerala produced significant changes in the service delivery functions of Panchayats. Large number of services, both mandatory and developmental, are delivered by the Panchayats and the institutions transferred to them. No doubt that, more than eighty percent of services related to the day to day life of citizens are delivered by local governments. The Committee on Decentralization of Powers suggested that every Panchayat should within six months of assumption of office proclaim, in clear terms the standards of service which it guarantees to every citizen and this should be applicable to all the offices and institutions under the control of the panchayats (Report of the Committee on Decentralization of Powers,1997:31-02). Consequently, the provision of Citizen’s Charter is
incorporated in the Kerala Panchayat Raj Act in 1999 to protect the rights of the people to get quality services from the panchayats.

A new Section 272A was added in the KPR Act to mandate the Panchayats to publicize the different services provided, their standards and benchmark of quality, time frame and the conditions to be fulfilled by the people for getting these services are to be clearly notified. Accordingly, the Citizens’ Charter has to be prepared in consultation with various service delivery institutions transferred to the Panchayat and published and make it accessible to the public domain. The Citizen’s Charter has to be discussed and approved by the Panchayat Committee and revise it from time to time and make it up to date once in a year. No doubt that the mandatory publication of Citizen Charters indicating the entitlements of citizens vis-à-vis a Local Government with respect to the quality and standards of various services provided by that Local Government (Vijayanad, 2009:17). It is widely accepted that the Front Office Management System for enhancing the service delivery of Panchayats with the technical support of Kerala Institute of Local Administration (KILA) significantly contributed to prepare and display the Citizen’s Charter and to deliver different services from the Panchayat office more efficiently and effectively.

4.4.6. Transparency in Beneficiary Selection

Democratic decentralization innovated new systems and procedures for ensuring transparency and accountability in the selection of beneficiaries as part of implementing individual oriented beneficiary projects. Criteria based selection of beneficiaries reduces chances of arbitrary selection of beneficiaries and benefits reaches to the most deserving beneficiaries. The decentralized planning process fixed the general criteria of backward regions for selection of infrastructure development projects and socio-economic backwardness is the criteria for selection of beneficiaries for different individual oriented
beneficiary projects included in local plans. It was insisted that local governments have to fix clear cut criteria for selection of beneficiaries and beneficiary regions as part of the project document. As part of decentralized planning local governments formulated large number of individual beneficiary oriented projects in the productive sector and social service sector such as, seedlings, manure, chicks, cows, machinery, houses, wells for drinking water and irrigation, cattle sheds, pump sets for drinking water and irrigation, sanitary latrines, sewing machine etc. and people can directly receive benefits from these projects. In the past, beneficiary selection had been little more than a concerted exercise in patronage that enjoyed the tacit collusion of all political parties (Isaac and Heller, 2003: 97).

As part of People’s Plan Campaign the Government stipulated the rules for selection of beneficiaries by the local governments. Local governments have to fix and publicize the eligibility criteria and priority criteria for prioritizing the eligible beneficiaries. The project document/template itself contains provision for specifying the eligibility and priority criteria for selection of beneficiaries. Local governments have to give sufficient publicity through Grama Sabha and other mechanisms and applications in Malayalam must be printed and made freely available. After verification and scrutiny of the concerned official, the applications are to be processed by a committee constituted from among the members of the concerned Working Group. The committee prepare the draft list and exhibited in the notice board of local government and other prominent institutions at the local level and call for public objection. Finally, the beneficiary list based on the marks scored and considering the merit of public objection prepared and presented in the Grama Sabha for approval.
4.5. Grievance Redressal Mechanisms for Accountable Local Governance

4.5.1. Ombudsman for Local Governments

The growth in the popularity of the concept is usually considered to be related to the growth in the functions and size of government and the inability of individual citizens to obtain redress for their grievances when faced with monolithic governmental organizations (Gregory and Hutchesson, 1979:15). Ombudsman are often seen as “citizen’s advocates”, the person who speaks up for members of the public in the corridors of power, it does not necessarily follow that an Ombudsman must find in favour or argue the case of the citizen regardless of what his investigation reveals (Logie and Watchman, 1990:11). The Committee on Decentralization of Powers discussed in detail on the different complaint and grievance redressal mechanism for local governments and suggested local government Ombudsman. While tribunals would concentrate on appeals from decisions taken in exercise of regulatory authority, there is need for another institution to investigate the field of administrative activity i.e. to investigate independently complaints from individuals and groups and even the Government relating to defective administration by the local bodies (Report of the Committee on Decentralization of Powers, 1997:50).

With the objective of creating transparent and accountable local governments the KPR Act was amended in 1999 based on the recommendations of the Committee on Decentralization of powers. In 1997 the field of administrative activity i.e. to investigate independently complaints from individuals and groups and even the Government relating to defective administration by the local bodies (Report of the Committee on Decentralization of Powers, 1997:50). The Committee felt the need for an institution to investigate incorporated the provision for an Ombudsman. Ombudsman system was visualized as a cost effective and appropriate
mechanism for complaint redressal and investigate issues. This is powerful institution created by the KPR with vast powers to check malfeasance in local administration. Ombudsman can go in to reasonableness of a decision and protect the interest of the people. The Ombudsman would focus on the process of administration continuously and will be empowered to check wrong doings at the initial stage itself (Ibid.:51). The system can take care of the ordinary grievances of the citizen which often relates to disregard of the due process in rendering a service or deciding on a claim (Ibid.). The Ombudsman can probe in to the discrepancies and corrupt practices of local governments and punish the persons who are responsible for it.

Unlike the Ombudsman in other countries, the Ombudsman in Kerala have certain enforcement powers. Another advantage special to the Ombudsman is the inherent power to observe the functioning of administration and suggest reforms (Ibid.). Thus it is a far more comprehensive institution than the Lok Ayuktas and needs to be set up for covering only the LSGIs in recognition of the distinctive character of the functioning of the LSGIs (Ibid.). Originally the Ombudsman was constituted in the same structure as recommended by the Committee on Decentralization of Powers, headed by judicial officer of the rank of a High Court Judge and assisted by two judicial officers of the rank of District Judges, two officers with administrative experience of the rank of Secretary to Government and two eminent public men whose credibility is beyond doubt (Ibid.). In the selection of public men it was suggested that the Government should consult with the leader of the Opposition in the Legislative Assembly so that the office is kept beyond political differences.

The function of Ombudsman is significant to ensure that the local governments has to provide services adequately and efficiently. The number of complaints received and investigations carried out by the Ombudsman is
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beyond the manageable scale of a single member institutional system. The Ombudsman system strengthens the local governments to function efficiently as possible and to make more independent of state government and to check the arbitrary powers of state government to control local governments. Useful to make local bureaucracy more efficient, accountable and responsive servants of local democracy. Useful to ensure that the highest standards of effectiveness and efficiency could be maintained within the resources available and to make local elected representatives to be accountable to local electorate. The independence from both the executive and legislature leaves Ombudsman free to investigate complaints made by members of the public without fear of interference from anyone (Logie and Watchman, 1990:8). The Ombudsman can review the performance of the administration of local governments by exercising its power to access official documents and records kept with local governments and give suggestions for improvement. All the local government activities should be subject to investigation by the Ombudsman. Although the Ombudsman may be allowed to investigate many local governmental activities, there are limitations to do this responsibility.

4.5.2. Appellate Tribunals

Large number of regulatory / mandatory powers are vested with the panchayats. In the case of exercising regulatory power, it is more a question of fact and question of concerned legal provisions applied in the strict judicial sense in accordance with principles of justice (Report of the Committee on Decentralization of Powers 1997:48). Traditionally the grama panchayats in Kerala exercised good number of mandatory powers such as, taxation, issuing licenses and permits, regulation of building construction etc. it is widely accepted that, in order to observe the principle of rule of law, natural justice and impartiality and to establish a responsible administration there should be a strong mechanism for grievance redressal. Even though, the President and the Secretary of the panchayat have large number of executive powers, they
cannot act free from political and social pressure. The Committee on Decentralization discussed the issue in detail and recommended for constituting appellate tribunal for local governments at the district level. The appellate tribunal would have a judicial officer of the rank of District Judge as its presiding officer (Ibid.:50). The committee visualized a citizen-friendly tribunal and have to follow simple procedures, which would be able to reduce cost and speedy disposal of complaints which come before it. The amendment of the Kerala Panchayat Raj Act in 1999 added a new chapter XXXVC and incorporated the provision for constituting appellate tribunals by Government in every district or a common tribunal for more than one district to consider and dispose of the appeal or revision against the decisions of the LSGIs. Following the provisions of the KPR Act, Government formulated detailed rules for the appellate tribunal in 1999 (G.O.(P.) No. 252/99 LAD Dated 20-12-99) and latter the Government appointed a single appellate tribunal for local governments in Kerala. The tribunal shall have all the powers of the civil court among the subjects handed over to this institution. The judgment of the tribunal will be a written one and final, subject to judicial procedure.

4.5.3. Jagratha Samithi

Democratic decentralization in Kerala right from the very beginning addressed the issues of gender inequity exist in Kerala. Democratic local governance can be achieved only when women become equal partners and participants in the decision making process. Gender equity and equality can be achieved only when the existing gender gaps are eliminated or diminished and women should be able to get equal access to the public space and control over resources, freedom from discrimination, exploitation and violence. With this objective the Government of Kerala has issued an order (G.O.(Ms.) No.31/2007 SWD Dated 23-06-2007) and directed local governments to constitute “Jagratha Samithi” to protect women and children from atrocities, enhance the status of women in society, raising the dignity of women,
empowering women to meaningfully occupy the civic space opened up by democratic decentralization and local governance. The important responsibilities of the Jagratha Samithi are; to provide leadership to enhance the status of women at home and society, conduct awareness programmes and research studies on gender mainstreaming in local governance and development, protect women and children from atrocities and physical violence, ensure proper investigation and trial of the crimes against women and children, provide legal, social and emotional support to women and children who are the victims of such violence, organize campaign against dowry, dowry related torture, child marriage, women trafficking, safeguard the individual and familial rights of women etc. The Women’s Commission and Social Justice Department also provide facilitative support to the Jagratha Samithis to carry out their responsibilities.

4.6. Democratic Decentralization and Inclusive Local Governance and Development

Kerala has attained high degree of social development and enhanced quality of life of the people, be it in education or in health and well being, even in low economic growth rate. Even though, the quality of life is much better than any other state in the country, the high inequality that exists in Kerala among different communities demands strategic interventions to ensure justice and distribution of benefits of development to the deprived and marginalized sections of the population. Democratic decentralization in Kerala addressed the issue of marginalization of the deprived sections of society, particularly the Scheduled Castes, the Scheduled Tribes, the fisher-folks and the destitutes, through the formulation and implementation of local plans. The problems of these marginalized communities have been identified as one of the complex development problems of Kerala society. These marginalized sections of the society are the people of the lower classes and have very little access to resources and other modern amenities of life. Social mobilization and
empowerment of these communities along with devolving significant amount of Special Component Plan (SCP) and Tribal Sub Plan (TSP) fund to local governments were the strategy adopted by democratic decentralization for enhancing the physical quality of life and to overcome their historical and social backwardness. The socio-economic development gains achieved by the mainstream Kerala society are denied to majority of these marginalized social groups and they are disempowered to attain the basic entitlements. These communities are alienated from the rest of the society and face marginalization in every sphere of life. Even the progressive political forces failed to address the baffling social and economic issues faced by these communities and to ensure their basic infrastructure needs, after the successful implementation of land reforms. Consequently, a new political consciousness has been developed among these marginalized social groups and a strong link between marginalization and identity politics strengthened among them.

During the past six decades since Independence the governments at the centre and state levels have passed numerous legislations and introduced several flagship development programmes for the social, economic and political emancipation of the weaker sections in India (Oommen, 2009:79). These legislative measures and flagship development programmes have had only very little effect to overcome the historical and social backwardness faced by these marginalized communities. The bureaucratic controlled decentralization of SCP and TSP started during the Fifth plan period at the district level to address the development problems of the SC and ST communities. Each development department was asked to prepare a separate component plan for SC and ST and earmark funds in proportion to the number of population of these communities in the district. The SCP and TSP funds have been allocated to the different departments and formulated and implemented programmes for SC and ST population. It was found that a significant part of SCP and TSP funds have always been utilized on the basis
of notional flows, i.e., by inclusion of schemes that were general in nature in SCP and TSP on the assumption that SC and ST communities would proportionately benefit from these schemes (Isaac, 2000:33). The formulation and implementation of SCP and TSP programmes have never been consulted with the representatives of local governments or with leaders of community organizations or with the beneficiaries. Most of the SCP and TSP projects implemented have not been beneficial for the SC/ST communities and the dalits and tribal communities in Kerala continued to face marginalization over decades. The fact that more than one-fourth of the tribals are landless and that their social conditions (in areas such as housing, health, and sanitation, education, welfare etc.) remained very much below the state average shows the extent of marginalization. The chief defect of this approach was that plan formulation remained highly departmentalized (Oommen, 2009: 84).

The 73rd and 74th Constitutional Amendments provided a legal framework of formal inclusion of excluded groups in local government (Philip, 2009). The State Conformity legislation also ensured adequate level of representation of SC members in the elected councils of governments. The democratic decentralization programme in Kerala decided to devolve more responsibilities of the development of the marginalized social groups and strengthen the devolution of SCP and TSP funds to local governments. Along with this decision, the Government stipulated to formulate and implement need based local plans with the participation of the members of these communities and elected representatives of the SC and ST communities in local governments for achieving greater allocative efficiency in this sector. The expected outcome in this high degree of devolution of SCP and TSP funds to local governments was that, decentralized planning provide opportunities to mobilize local resources and other voluntary contributions to increase the funds actually earmarked and spend for the development of SC/ST communities. In order to avoid the notional flow principles applied by the bureaucrats in
utilizing the SCP and TSP funds during the pre-decentralization days of bureaucratic decentralized planning, the Campaign entirely abolished this system of calculation. As a result, the real resources for the weaker sections have increased by 30 to 40 percent when compared to the pre-Campaign period. (Isaac and Franke, 2000:33). The People’s Plan Campaign has been taken efforts to avoid the exploitation of these marginalized communities and misappropriation or misuse of SCP and TSP funds utilized by the department officials without ensuring benefits to these communities. The people’s Campaign actually reforming the already existing decentralization in to a democratic, participatory decentralization in which the representatives and members of the Scheduled Castes and Scheduled Tribe communities could actually participate (Ibid.).

Decentralization and local democracy have to provide room for the poor and the deprived social sections to manoeuvre their claims recognized by the government. The democratization process imbibed in decentralization is the robustness and dynamism of local democracy to support the poor and the deprived societal sections for a better living. It is often seen that the democratic procedures and practices promoted by decentralization are useful to protect the interest of the deprived and marginalized sections of society. The rationale of democratic decentralization to address the development issues of social deprivation and marginalization of the SC and ST communities have not properly internalized by the leaders of the community organizations and the people belong to these communities. Some caste organizations of the Scheduled Castes and opposition legislative assembly members from the Scheduled Castes also raised the possibility of misuse or diversion of funds (Ibid.:32). Their criticisms were based on the field level experience of bureaucratic centered implementation of SCP and TSP programmes by the different departments during the Pre-People’s Plan Campaign period. An important criticism raised against the devolution programme of People’s Plan
Campaign was the proportionately larger weighting towards the Special Component Plan (SCP) and Tribal Sub Plan (TSP) in the funds devolved. While the overall ratio of devolution was 36 percent, 75 to 80 percent of the SCP and TSP was being earmarked for local bodies (Ibid.:32). This constitute the biggest amount of fund devolved to local governments from among the different line departments.

The People’s Plan Campaign designed effective systems for transparency, democratic accountability and participatory monitoring to ensure effective utilization of the devolved SCP and TSP funds to local governments. The effectiveness of the programmes for weaker sections of society could yet be another measure of the success of democratic decentralization (Ibid.). Devolution of SCP and TSP funds to local governments need not automatically bring about inclusion in local governance and development. Therefore, proactive policy measures have been taken to ensure social inclusion of the deprived social groups in local governance and development. There are adequate forums created at local level to enter in to the practices for empowering and improving the living conditions of SC and ST population. There have been strong evidences to prove that local governments, being close to the people could make sustainable solutions for poverty reduction and equity building (Ramakantan and Retnaraj,2008:12). As a result the Panchayat Raj Institutions (PRIs) in Kerala have achieved considerable success , better than even what State Government could achieve earlier in providing minimum needs infrastructure like, shelter, drinking water, sanitation, and rural connectivity (Ibid.:13).

The most significant proactive policy measure on the part of the State Government for the effective planning and implementation of the SCP and TSP are the participatory institutional structures created as part of decentralized planning such as, Grama Sabha, Development Seminar, Working Groups,
Technical Advisory Groups and the District Planning Committee. The SC subgroup of the gram sabhas provide opportunity for the people, including the members of the SC communities, to identify the development needs of the individual families and the SC hamlets. The development seminar in turn set the development strategy and decide the development priorities in this sector and set the priority in resource allocation based on the data base kept by the local government. The working group chaired by the SC elected representative have to provide the lead in formulating need based and useful projects to be included in the SCP Sub-Plan of the local governments. The TAG examine the social viability and technical feasibility of the SCP projects included in the plan and to ensure that the projects are prepared based on the Guidelines issued by the State Government on the planning and implementation of the SCP of local governments. The DPCs have to ensure that the SCP of local governments have been prepared based on the Guidelines issued by the Government for local plan formulation. A comprehensive methodology for the preparation of Tribal Sub Plan and empowerment of Oorukottams was issued by the Government to enhance the participation of tribal community in the planning and implementation of TSP projects and programmes (G.O. (M.S.) No. 54/2003/ Plg. Dated 31-05-2003).

During the initial years of the decentralized planning, the quality of projects formulated by the working group on SC and ST were not useful or viable to address the real development problems faced by these communities. This was particularly due to the lack of technical expertise available with the SC/ST working group in different development sectors. Hence, as part of the Tenth Five Year Plan Guidelines, the government specifically directed that it is the responsibility of the working groups in different sectors to prepare the general sector projects and also projects for the marginalized groups. For example, the agriculture working group has to prepare agriculture projects for the general sector and agriculture projects of the SCP and TSP. This
coordinated action of the working groups and the technical support extended by the other working groups in the preparation of SCP and TSP projects substantially enhanced the quality of projects for the marginalized social groups. The local governments achieved commendable progress in providing the basic infrastructure facilities to the marginalized communities. The GPs had spent substantial amount of money to provide assistance for constructing houses, latrines, purchasing land for building houses, electrification of houses and, providing drinking water to the SC and ST families (Rajesh, 2013:157). In order to ensure that the schemes aimed at the upliftment of SC/ST people are benefited only to the SC/ST people, the Government constituted a District level Committee for SC/ST development chaired by the District Panchayat President and District Collector as the Member Secretary and all district level officers as members to monitoring and review of all schemes including those implemented by local bodies (G.O. (P) No. 12/97/Plg Dated 30-08-1997).

The success of democratic decentralization and democratization of local governance depends largely on the achievement to effectively include marginalized groups in local decision making and power structures. The effectiveness of the programmes for the weaker sections of society is another measure of the success of democratic decentralization (Isaac and Franke, 2000:320). Real meaning of local democracy and participatory governance can be achieved only through the empowered participation of the marginalized and disadvantaged sections of society in the functioning of local governments and in all the micro level democratic institutions which influence in their life. Kerala has made use of local governance system as a tool for social inclusion through enhancing the participation of the disadvantaged groups in local governance (Ramakantan and Retnaraj, 2008:32).
4.7. Decentralization and Engendering Local Governance and Development

Marginalization of women and the strategy to integrate women in the development process has attained wide attention over a period of last three decades. As Geisler (1993) observes, it has forced a rethinking of development policies which began to conceptualize women as agents of productive process and identified women’s marginalization as the chief cause of their deteriorating status. It is widely accepted that empowerment and participation of women positively contribute to challenge the existing social, economic and political structures, which in turn help them to gain control over resources and their lives. Women are capable of developing appropriate ways to deal with their concerns and problems through local grass root participation (Muraleedharan, 2000:2). The participation of women and their social mobilization help them to attain capability to negotiate and even conflict with the authority structure. Local grassroots participation also help them to share their common concerns and specific needs and influence the decision making process to allocate adequate resources in this direction. “Women” have always been a significant presence, especially as a way to represent Kerala as the utopia of social development (Devika and Mini, 2006:4449-4475). Democracy within local self-governing institutions can be achieved in its genuine spirit only when women become equal partners and participants in the process of decision making (SAKHI, 2006:13). The progressive movements in Kerala have taken sincere efforts to mobilize and organize them politically and made use of the social capital of women’s movement in the democratization process of Kerala. Even though, the share of representation of women in the elected bodies has been very low at different levels.
The slow progress in representation of women in politics warranted more efficient strategies aimed at reaching gender balance. Gender quotas are regarded as one such mechanism which enable women to gain entry to politics. Consequent to the 73rd and 74th Constitutional Amendments, considerable number of women came to the political leadership at the local level, by making use of the mandatory provision of 33 percent reservation for women in the LSGIs. The democratic decentralization in Kerala provided the lead for the whole country in devolving powers and authorities to local governments and also to empower women to participate in the decision making process in local governance and development. The People’s Plan Campaign created a congenial environment for the participation of women in development planning and local governance. Conscious attempts have been made in Kerala’s decentralized planning framework to integrate gender issues in all phases of the planning process, further strengthened by the mandatory requirement of 10 percent of plan grant to be set apart by LSGIs for projects directly benefiting women—the Women Component plan [WCP] (Mridul Eapen, 2004:1).

The social and economic status of women in Kerala is not at the comfortable level, despite the lower gender gap in literacy, education and health, gives primacy to the traditional role of domestic work and very little space for them in the “outside” world. In order to break this situation, democratic decentralization in Kerala made concerted efforts to ensure high degree of participation in all the micro level democratic institutions created at the local level. The Government have also specifically mandated and stipulated as an essential requirement for plan approval of local governments to earmark at least ten percent of their plan funds to the WCP. The Guidelines issued by the Government for the formulation of local plans insisted on local governments to provide adequate representation of women in all the participatory institutional set up created at the local level, such as Grama Sabhas, Development Seminar, Working Groups, Technical Advisory Groups, Beneficiary Committees, Institutional Management Committees etc. This has significantly contributed to break the low visibility of women in the public sphere in Kerala.
Democratic decentralization in Kerala conceived that gender equity and equality can be achieved only through ensuring equal access and control over resources and greater opportunity for participation of women. The mandatory provision of WCP and earmarking at least ten percent of the plan fund for women development projects in the local plan aroused the enthusiasm of the elected women representatives and women social activists to participate in the decentralized planning process. It was a unique experience in the history of local planning and development and a trend setting decision for the whole nation. The deliberations in the women and Child development sub-group in the Grama Sabha meetings and the women sub-group discussion in the Development Seminar were in fact a process of massive gender education in Kerala.

Decentralized participatory planning addressed the issue of low visibility of women in the social and political sphere, gender related violence at home and outside, low work participation and economic vulnerability of women, low level of participation of women in the decision making bodies at the local and state level etc. in the different platforms created by the People’s Plan Campaign. Decentralized planning has made conscious attempt to integrate gender issues at each stage of a systematically thought out process of planning, from the convening of Gram sabha to the setting up of task forces to translate needs in to plan projects, together with the mandatory WCP (Ibid.:3). The increased participation of women in Grama Sabhas, Working Groups and Development Seminar helped them to articulate their demands and exert influence to fix the development priorities in conformity with their felt needs at the local level. Gender was included as an important criterion in the selection of beneficiaries in most individual beneficiary-oriented poverty alleviation programmes (Isaac and Franke, 2000:223). Moreover, the Guidelines issued by the Government for beneficiary identification at local level give priority to female headed households, particularly in the identification of beneficiaries to
the basic infrastructure development projects such as, housing, drinking water, sanitation etc.

In Kerala, several attempts have been made during the last two decades to create a meaningful linkage between gender mainstreaming in local governance and development process. A major achievement in the decentralization process in Kerala was the introduction of Women Component Plan (WCP) and the direction stipulating the use of it for the implementation of strategic gender needs (SAKHI, 2006:14). Mandatory provision of earmarking ten percent of plan fund for women specific projects, participatory study on the status of women, separate working group on women and children, adequate representation of CDS and ADS representatives in all the working groups, provision for gender impact assessment of all development projects, mandatory representation of women in beneficiary committees, leadership of the Kudumbashree in the planning and implementation of WCP, constituting Jagratha Samithis etc. have been significantly contributed to integrate gender and development approach in decentralized participatory planning.

The commitment of the Government of Kerala in mainstreaming gender as part of decentralized planning was clearly stated in the various government orders and circulars issued as part of Five Year Plan Guidelines. In the Government Order (G.O.(Ms. No.19/98/Plg. Dated 04-06-1998) stipulated that WCP is mandatory and specified that WCP projects and their relevance to address the strategic gender needs are to be examined by a sub-committee specifically constituted for that purpose. The Government made it clear that the mandatory allocation of 10 percent for WCP is over and above the consideration given to women in general projects. It was clearly stipulated that funds for schemes benefiting men and women like, roads, toilets, electrification of houses and smokeless cooking stoves were to be met from general sector projects. Projects like, kitchen garden, poultry farming, and goat rearing are not
to be included in the WCP, unless complete control of the management of these projects are in the hands of women.

The revised Guidelines for formulation of Tenth Five Year Plan for Local Governments (G.O.(Ms.) No. 40/2004 Dated 31-03-2004) entrusted the DPC to oversee the projects under WCP while approving the plan document and ensure that all the WCP projects are useful to address the strategic gender needs of women. This G.O. also stipulated that a comprehensive study on the status of women should be undertaken by the local governments to assess the practical and strategic gender needs. But most of the local governments have not undertaken such a study due to various reasons. The Government also insisted that the problems of poor women may be given special focus in the local plans prepared by local governments. The participation of CDS, NGOs, Women Organizations are to be ensured in the formulation of WCP. The Guidelines also suggested that efforts have to be made by local governments to include projects like, micro enterprises for women, family assets for women headed households etc. as part of the WCP.

The Guidelines also repeatedly insisted that the DPCs have to ensure that, no downward deviation in the expenditure of WCP in the previous year plan and in such cases, it should be compensated during the current year plan itself. In order to ensure the effective utilization of WCP funds, the Guidelines also insisted that funds for anganwadi programmes and pre-primary educational programmes are to be treated as outside the WCP, but construction of those anganwadi buildings, which functioned as community halls for women may be included as part of WCP. (Circular No. 5319/DP3/2003/LSGD Dated 26-10-2005). The WCP and the SHGs of women provided the essential condition for enhancing the mobility of women and strengthening their participation in local governance and development. The enabling environment of decentralized planning helped women to engage in the public
sphere and in starting large number of individual and collective efforts for income generating activities. This has also enabled them to participate in Grama Sabhas, visiting panchayat office for getting various services, to express their choice in plan formulation and in the political or social mobilization of women which lead to their empowerment.

In 2009 the Government of Kerala amended the KPR Act and increased the reservation of women elected representatives from 33 to 50 percent to all the elected posts of local governments. This was a major milestone in the history of local governments in Kerala. The subsequent election of local governments in 2010 opened up unprecedented political space for women at the local level in Kerala. Enhancing the representation of women to 50 percent resulted in attaining substantive equality of women in all local governments and across all levels of leadership. The emergence of a new generation of elected women leadership in local governments in the last general election to local governments are noted to be strong in certain capability enhancing factors such as, educational attainment, prior experience with Kudumbashree and other women organizations, and extensive training on diverse facets of local governance. This has to be beneficial to eliminate the gender barriers existing in the decision making process at the local level and to strengthen an inclusive development policy in local governance and development.

4.8. Development of Destitutes and other Socially Deprived Groups

Democratic decentralization in Kerala has taken the efforts to address the specific issues of the challenged, aged and the terminally ill persons in society. The hallmark of decentralization in Kerala is the transfer of well defined responsibilities to local governments (Vijayanand, 2009:25). A good number of social welfare functions, including the care of the disabled, have been transferred to local governments. Most of the responsibilities related to human and social development are now in the hands of Local Governments.
During the initial years of decentralized planning, specific direction has not been given to the local governments on the package of care services to the destitute. The evaluation of the allocation of funds and performance of local governments during the Ninth Plan found that these marginalized sections of society are pushed away from the development process. The Guidelines for formulation of plans for local governments stipulated at least 5 percent of the plan fund has to be earmarked for the component plan for the disadvantaged groups such as, children, aged and differentially-abled persons (G.O.(Ms)No.20/2002 Dated 06-06-2002). Subsequently, a comprehensive Guidelines on the component plan of the disadvantaged groups was issued by the Government (G.O.(Ms) No. 36/2004/Plg. Dated 29-03-2004. This Guidelines clearly defined the categories of beneficiaries of this component plan, scholarship amount to the disabled children, provision for support to the training of disabled people, supply of the aid instruments to the physically challenged people etc. in a detailed and self-explanatory manner. Local governments have the freedom to prepare a region specific and context-driven Component Plan for the destitutes. The successive State Governments of always cherished the goal of humanizing local governance and provide care to the most deprived and poor sections of society as part of democratic decentralization. Destitute care and rehabilitation require better coordination and continuous support on the part of local governments. Acute poverty of the poor families make them incapable of caring the aged, challenged and terminally ill persons and it is the responsibility of the society and the local governments to provide support and care for such persons. During the Eleventh and Twelfth Five year Plans the policy of destitute care and development of disadvantaged people continued without any significant changes. The component plan mechanism has been successful for giving care and support to the disadvantaged social groups in Kerala as part of decentralized planning.
4.9. Capacity Building for Empowered and Democratic Local Governments

It is widely considered that capacity building is one of the important pre-requisites of decentralization and one of the main foundations of democratic governance. The “big bang” decentralization process in Kerala, often been criticized for not developing capacities before the launch of the decentralization process (Oommen, 2009:151). In Kerala, this theoretical sequence of decentralization was reversed. Along with the decision to devolving financial resources and powers to local governments, Government of Kerala designed and implemented a massive capacity building programme for empowering local governments to fulfill the constitutional responsibilities of preparing plans for economic development and social justice and to act as self-governing institutions.

Kerala has adopted an approach of ‘learning by doing’ and to overcome the capacity gaps while undertaking the responsibility of formulation and implementation of local planning. The expert committee members of the People’s Plan Campaign Cell at the State Planning Board was entrusted with the responsibility of designing and implementing training programmes as part of decentralized participatory planning in Kerala during the Ninth Plan period (1996-2001). The campaign cell was the designated agency to implement massive training programmes as part of the People’s Plan Campaign programme. The newly constituted State Planning Board by the LDF Government, have shown high degree of enthusiasm and provided all possible support to the campaign cell for designing and implementing the training programmes during the initial years of democratic decentralization in Kerala. The sustainability of democratic decentralization largely depends on the sustainability and professionalization of the capacity building process’ (Ramakantan, 2006:180).
Chapter 4

The massive devolution of financial resources and powers and responsibilities to local governments needed to build the capacity of key functionaries. The local government functionaries have no previous experience in decentralized planning and its implementation. Considering the new tasks of local governments in the changing situation of democratic decentralization, the elected representatives and officials felt that training is essential to discharge their responsibilities. The decision on the part of the LDF Government to devolve 35-40 percent of state plan outlay to local governments developed sense of responsibility and confidence among elected representatives and officials to attend the different training programmes organized by the campaign cell of the State Planning Board. In order to train large number of functionaries to acquire practical skills in participatory local planning within a stipulated time frame, a decentralized cascading mode of training was implemented by the campaign cell of the State Planning Board. Professionalizing training in transitional countries in accordance with Western standards is no easy task, it must go hand in hand with the professionalization of local governments (Serban, 2002:8).

Democratic decentralization objectives demand a great deal of administrative and local planning competence among a wide variety of stakeholders right from heads of local governments to the resource persons (representatives of civil society organizations) working with local governments. In the period of transformation of local governance and development planning, as part of democratic decentralization, building of new capacities in the changing core areas of local governments become an essential requirement. Hence, a massive capacity building programme was designed and implemented in Kerala as part of decentralized participatory planning to carry out the responsibility of social mobilization and formulate local plans in a participatory and transparent manner. The Government of Kerala and the State Planning Board fully conceived that changing the mindset of elected
representatives and officials suited to the functioning of a decentralized administrative system is not an easy task. Therefore, social mobilization as part of People’s Plan Campaign was used as an instrument for setting up of decentralized administrative system in local governments. The People’s Plan Campaign has become a massive citizens’ education programme and provided a favorable environment for harnessing public action in favour of decentralization in Kerala.

The approach and strategy that followed in capacity building for democratic decentralization and empowerment of local governments in Kerala was unique. The basic approach of capacity building for democratic decentralization has not been restricted to developing mere competence among local government functionaries in local planning or public management of local governments. The capacity building exercise in Kerala as part of democratic decentralization was in fact designed to promote empowerment and social mobilization and engage people in the process of social and economic transformation. Therefore, attempts have been made to ensure the participation of mass organizations and associations of local governments along with elected representatives and officials in the capacity building programs (Ramakantan, 2009:130). They have also offered opportunities for transferring their learning in to the local planning process and to create empowered, effective and accountable institutions of local democracy. Another aspect of capacity building in Kerala is its focus on marginalized social groups such as, Scheduled Castes, Scheduled Tribes and women, to reduce the gap with the rest of the society (Ibid.). Concerted efforts have been made to empower and mainstream these groups through capacity building and emphasis has been given to empower them to take actions and decisions in governance.
The capacity building strategy adopted in democratic decentralization was therefore, focused to develop the required level of competency and setting the facilitating environment in formulating and implementing local plans with maximum participation of the people and in a transparent and democratic manner. The massive participation in the planning process is not limited to elected representatives, officials and voluntary organizations, but it includes the local community as such. Hence, the capacity building efforts covered tens of thousands of elected representatives, officials, voluntary experts, members of professional associations, members of mass organizations and voluntary organizations. The Campaign Cell sought the support of experts in different subject areas and training methodologies and made use of all available resources in the state for this purpose (Ibid.). The decentralized cascading strategy has been used for training implementation. Training programs have been implemented at different levels, state level training program for master trainers and district level training and local level training for the local government functionaries. During the period of People’s Planning Campaign, the training programmes coincided with different phases of the campaign and after formulation of local plans training programmes have been organized for developing competency in plan implementation (Ramakantan, 2008:7). Capacity building for decentralization was to move away from the traditional forms of training and development. The approach taken was a practical one to equip the different functionaries and resource persons quickly and effectively to formulate local plans through a democratic and participatory process. Increased involvement of learners was ensured through a ‘learning by doing’ approach. Learners were given every opportunity to give their feedback and transfer the learning into their real work situations (Ramakantan, 2009:131).

Direction towards institutionalization of these capacity building initiatives was set in by the Sen Committee which identified Kerala Institute of Local Administration (KILA) as the designated lead organization for capacity
building for decentralization (Oommen, 2009:153). KILA was established by the Government of Kerala for imparting training of elected representatives and officials of local governments in 1990 under the LSGD. KILA was associated with the SPB during the Campaign period in organizing and implementing numerous training programmes. As part of institutionalizing the training programmes for local governments, the Government of Kerala sought the support of the Swiss Agency for Development and Co-operation (SDC). The SDC responded by evolving a joint programme called the Capacity Development of Decentralization in Kerala (CapDecK) along with the KSPB and the LSGD (Tharakan, 2009:15). The CapDecK project was implemented jointly by KILA and SDC for capacity building of decentralization in Kerala. It was through the KILA and under the leadership of KILA, that the CapDecK visualized the development of a decentralized training system (Ibid.:16). The CapDecK project significantly contributed to support the process of stabilization and institutionalization of the decentralization process and enhancing the quality of designing and implementation of training programmes in Kerala. KILA also developed a “concept, strategy and programme for capacity development of local self-governments and related organizations” with the help of the CapDecK (Tharakan, 2009:17).

Eventhough, the UDF government changed the name of the decentralization programme from People’s Plan Campaign (PPC) to Kerala Development Plan (KDP) there was no significant change in the strategy and implementation of capacity building and training. The CapDecK project substantially helped to develop the capacity of KILA as a capacity building institution and institutionalized the decentralized training system at the district level with the support of Local Government Associations. KILA have developed in to a nodal organization by broadening its base and developing a strategy for capacity development (Ibid.:20). But the decentralization policy pursued by the UDF Government in 2001 and 2011 resulted in weakening the
voluntary experts and civil society organizations in decentralization which in turn, strengthened the level of bureaucratization in the decentralization process. In order to ensure greater ownership of Local Government Associations (LGAs) in the planning, implementation and monitoring of training activities, Government of Kerala constituted the Training Advisory Committees (TACs) at the state and district levels with the participation of all stakeholders of critical importance in decentralization. The state level nodal institution for training of local governments and the LSGD is not taking any creative interest to make this institutional system functional.

Professionalization of local governments need professionalizing the training and capacity building activities. A sound training and capacity building policy and systematic approach in its implementation is the key factor to make decentralization process sustainable and to transform local governments in to more accountable, democratic, transparent and responsive bodies (Ramakantan, 2006:192). The task of KILA as the nodal training institution is very critical in imparting the new values of democratization, transparency and people’s participation and to enable local governments to function as self-governing institutions. Training should be concurrent and continuous and periodic reinforcement of the learning is necessary. The possibility of democratic alternatives and change of elected representatives in every five years and the rotation system in the reservation of seats for SC, ST and women demands continuous capacity building and training. Steps are to be taken to measure the organizational and individual performance of local governments and their different functionaries. It is of significant importance to conduct training related studies on the improvement in the standards of performance after the training. The validity, relevance and sufficiency of training should be assessed in performance terms. The National Capacity Building Framework (NCBF) prepared by the Ministry of Panchayati Raj, Government of India in 2010 is a useful step in this direction.
4.10. Summary

It is widely accepted that the legislative measures and policy initiatives taken as part of decentralization reforms in Kerala during the last two decades significantly strengthened the democratization process and innovating new systems and procedures for institutionalizing democratic participation in development planning and governance at the local level. The opening up of new spaces for the participation of people of all societal sections as part of People’s Plan Campaign promoted democratization process and opened new transformative potential for furthering and deepening democracy at the grassroots level. The massive capacity building initiatives as part of People’s Plan Campaign provided opportunity for the key actors of local governments to give their critical reflections and exerted pressure on them to transform the age old procedures and to set up innovative institutional structures for democratic participation, transparency, accountability and citizen’s grievance redressal. The members of the policy making team who have provided leadership to these capacity building programmes, brought the practical issues of decentralization before the Government and necessary policy changes have been made to re-engineer the existing system and strengthened democratic governance at the local level. The documentary analysis of the policy decisions on decentralization clearly shows that the feedback of the participants in the open session of the training programmes significantly influenced the policy makers to re-engineer the systems and procedures of decentralization in Kerala. In the transformation of decentralized democratic governance, the contribution of the Committee on Decentralization of Powers is most significant and based on its recommendations the Local Governments Acts in Kerala have been thoroughly amended by incorporating large number of mandatory provisions for citizen’s participation, democratic accountability, transparency and responsiveness.
The methodology of participatory planning and the democratic institutions increasingly contributed to strengthening democratic governance in Kerala. The institutional innovations for citizens participation empowered the common people and the marginalized social sections of society and explored new potentials for empowered participatory governance. These micro level democratic institutions played an obvious role to break the monopolistic and clientistic tradition of distribution of benefits to the people and initiated a criteria based and transparent process of beneficiary selection and distribution. It is widely recognized that the People’s Plan Campaign also succeeded to build consensus among political parties for promoting more decentralized and democratic forms of governance at the local level. The democratic decentralization process and the massive capacity building programmes empowered the elected representatives to establish their control over bureaucracy and take policy decisions on matters assigned to local governments. Democratic decentralization also significantly contributed to overcome the knowledge and capacity gaps existed among the marginalized and excluded social sections and empowered them to exercise an effective role in local democratic governance and development planning. The democratic decentralization process in Kerala unleashed a new civic political culture and attempted to transform the age old patronage driven politics. The new political culture reinvigorate the democratic values of citizen’s participation, transparency, accountability, inclusiveness and citizen-friendliness. Moreover, the transformed system of democratic governance enable ordinary citizens to play a meaningful role in the planning, implementation and monitoring of development programmes which influence their life.

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