7. URBANISATION
7.1 URBAN HOUSING

Introduction

The Government of India has identified urbanization as a key priority area to meet growth targets for the Twelfth Five Year Plan. It points out that over 300 million will be added to India’s urban population in the next 20-25 years and identifies the need to provide low-income housing as a key ingredient of a Five point multi-pronged approach needed to manage this transition.

Tamil Nadu is at the forefront of the urbanization trend witnessed; yet a number of challenges relating to urban housing need to be tackled. 48.45 percent of Tamil Nadu’s population lives in urban areas vis-à-vis the national average of 31 percent. The average density of population in 2011 of the State was 554 persons per sq.km and in urban areas; it was 3521 persons per sq.km. Urban population growth in the state (at 27 percent during 2001-11) outpaced rural population growth (6 percent during the same period) and overall urban population in Tamil Nadu could exceed rural population in the next few years.

Urbanisation Trends In Tamil Nadu

Tamil Nadu ranks first on share of urban population among large States in the country and third on absolute urban population. As per provisional estimates of 2011 census, Tamil Nadu, with a provisional urban population of 34.9 million, has 48.45 percent of its population living in urban areas. The Chart 7.1.1 gives the details for a relative comparison (among States and in India) for urbanization and show that Tamil Nadu is the most urbanized State.

Box 7.1.1: Growth of Slum Population

While urban population in Tamil Nadu grew by 27 percent, reported slum population has grown from 28.38 lakh to approximately 59 lakh, a growth of 150 percent.

Housing demand-supply: An overview

Housing stock in Tamil Nadu

Given the varied and disaggregated information available on housing stock, key observations made by various studies on housing stock shortage and slums in Tamil Nadu are summarized below:

- Census 2001: As per the house listing of the Census of India 2001, of the total number of 13,962,609 census houses in the State used as residence and residence-cum other use, 58.41 percent were permanent houses while the proportion of semi-permanent houses and temporary houses was 18.19 percent and 23.39 percent respectively. The proportion of permanent houses in urban areas was 74.16 percent while the proportion of semi-permanent houses and temporary houses was 15.31 percent and 10.51 percent respectively. Given the urban population of Census 2011, this translates to roughly 8.2 million households depending on semi-permanent and temporary housing structures. Slums were reported in 63 cities and towns in Tamil Nadu with the overall slum population in urban areas estimated at 28.38 lakh of which 10.79 lakh was in Chennai.

- Census 2011: The Census of 2011 has revealed that 13.96 lakh families (59 lakh persons) are living in the urban slums in Tamil Nadu. A report of the committee on slum statistics/census appointed by the Ministry of Housing and Urban Poverty Alleviation on the other hand estimates the slum population in Tamil Nadu at a higher figure of 86.44 lakh in 2011.

- In 2001, out of the total housing shortage of 6.95 lakh units, nearly 5.97 lakh units were in the urban areas, accounting for about 85 percent of the shortage in housing. More than two thirds of the households requiring housing fall in the LIG (Lower Income Group) and EWS (Economically Weaker Section) categories. These groups largely depend on rental housing provided by HIG (Higher Income Group) households. For construction of their own housing units, they are dependent on supply of plots by public agencies. Total housing demand is currently estimated at 26.27 lakh units,
Urbanisation with the average annual demand working out to roughly an additional 2 lakh each year.

- The Technical group appointed by the Ministry of Housing and Urban Poverty Alleviation estimates the housing shortage in urban areas in Tamil Nadu at 28.2 lakh. As per this study, Tamil Nadu accounts for an estimated 11 percent of housing shortage in India.

Housing demand in Chennai-Second Master Plan of CMDA (Chennai Metropolitan Development Authority):

The second Master Plan for Chennai Metropolitan Area prepared by CMDA makes the following observations on housing related issues within the Chennai Metropolitan area. The gap between households and housing units in 2001 was of the order of 36000 units in the Chennai Metropolitan Area.

It was estimated that 15 percent of the dwelling units were semi-pucca and 10 percent were kutcha with nearly 41 percent of the dwelling units being either one room or units without an exclusive room. The slum population as identified at the time of preparation of the Second Master Plan was 818,872 or 19 percent of the city population. Of this about 75,498 families have been identified as being based in vulnerable locations such as river margins, water logged areas, seashores and road margins, and are categorized as objectionable slums.

The incremental housing demand in Chennai was 413,012 in 2011 and will go up to 1,237,482 in 2026. Similarly EWS (Economically Weaker Section) demand, which is 30 percent of the total mentioned above, is estimated to increase from 1,23,904 in 2011 to 3,71,245 in 2026.

As can be seen, there is a variation in the level of slum population and the incremental housing demand in the state. While the range of estimates for slum population in urban areas in Tamil Nadu varies between 59 lakh to 86 lakh in 2011, housing shortage is estimated at 28 lakh. Thus creation/ periodic updation of baseline information on the level of housing stock, additions and shortage periodically through involvement of Urban Local Bodies (ULB) is critical to develop and implement plans for addressing housing demand effectively. For the purpose of planning, the census figures are adopted as they have been captured through an elaborate exercise and are most recent.

Box 7.1.2: Constraints

Constraints including lack of purchasing power, security of tenure of land, unclear titles of house property in rural areas, unavailability of flexible housing finance system, lack of awareness about building technologies and paucity of public fund are resulting in inadequate housing and habitat conditions especially for the poor and economically weaker Sections. As a result, the gap between housing demand and supply has increased considerably. Nearly 35 percent of the available housing stocks are temporary and semi-temporary structures. The housing shortage is estimated to be 9.11 lakh of which 50 percent is in urban areas.


Review of Eleventh Five-Year Plan Performance

The Tamil Nadu Housing Board (TNHB), Tamil Nadu Slum Clearance Board (TNSCB), Tamil Nadu Police Housing Corporation (TNPHC) and Public Works Department (PWD) are the major housing delivery agencies in Tamil Nadu in the public sector, particularly with focus on housing for the Economically Weaker Sections (EWS) and Low and Middle Income Groups. Of these, Tamil Nadu Police Housing Corporation (TNPHC) and PWD (Public Works Department) are providing housing for their own employees. The agencies viz., Tamil Nadu...
Housing Board, Tamil Nadu Slum Clearance Board and Housing Cooperative Societies have so far created 16.94 lakhs housing units, the majority of them benefiting the economically weaker sections and the Low and Middle Income Groups.

The Eleventh Five Year Plan outlay for the housing sector was ₹20,45,24 crore and the expenditure was ₹5,36,26 crore. The constraints identified in the ‘housing’ sector are: lack of availability of land, lack of purchasing power, security of tenure of land, unclear title of house property, unavailability of flexible housing finance system, inadequacy of private sector presence and focus on affordable housing particularly for EWS and LIG (Low Income Group), capacity for project development and implementation etc.

**Tamil Nadu Housing Board**

Since its inception, Tamil Nadu Housing Board (TNHB) has constructed about 4.01 lakh dwelling units, out of which 2.91 lakh units have been constructed for Economically Weaker Sections (EWS), Low Income Group (LIG) and Middle Income Group (MIG) Sections.

As against a target of 81,100 units during the Eleventh Five Year Plan, TNHB has developed 11,494 units by January 2012, of which 5,130 units have been developed at a cost of ₹3,96,70 crore and 6,364 units at a cost of ₹7,51,32 crore are in progress.

**Tamil Nadu Slum Clearance Board**

The Tamil Nadu Slum Clearance Board has constructed 1.29 lakh houses / tenements since its inception. The slum development works with land tenure have been provided in 504 slums under MUDP (Metropolitan Urban Development Programme) and TNUDP (Tamil Nadu Urban Development Project) thereby benefiting 1.30 lakh slum families. The above said programmes are implemented adopting the following strategies with the motto of improving the environs of the slums and the living standards of the urban slum families.

- **In-situ tenemental schemes**: The slums located in unobjectionable areas, wherein equitable distribution of space to all is not feasible, are cleared and tenemental schemes are put up.
- **In-situ plotted development and infrastructure improvement**: Wherever in-situ development is feasible, such slums are identified and taken up for in-situ improvement for provision of basic facilities to make the areas habitable and for provision of tenurial rights to the occupants after getting the land transferred to TNSCB.
- **Rehabilitation and Resettlement scheme**: Wherever neither tenemental nor in-situ development is feasible, (as in the case of objectionable porambokes like waterways etc.) Rehabilitation and Resettlement of tenements in nearby locations with necessary infrastructure is taken up. The cleared site is then restored to its original use.

As against the target of 71,752 housing units during the Eleventh Five Year Plan, TNSCB has developed 41,754 units. The expenditure incurred during the Plan is ₹13,18,80 crore.

**Tamil Nadu Cooperative Housing Federation**

Since its inception, the Federation has provided financial assistance to the tune of ₹4,752.88 crore for construction of as many as 11.64 lakh houses in the State. At present there are 837 Urban Cooperative Housing Societies and 197 Taluk Cooperative Housing Societies affiliated to the Federation.

During the Eleventh Plan period, the federation has provided financial assistance to the tune of ₹88.90 crore for construction of 4,554 houses.
Tamil Nadu Police Housing Corporation Limited

The Tamil Nadu Police Housing Corporation Limited is providing shelter to houseless Police Personnel at an affordable cost under ‘Own Your House’ scheme as per the policy of the State Government. Based on availability of land and demand, the TN Police Housing Corporation Limited has constructed 1985 houses under this scheme at a cost of ₹20.39 crore. The other activities of the Corporation, are 1) 29962 residential units were constructed for Police personnel at a cost of ₹1339.73 crore; 2) 911 residential units were constructed for firemen at a cost of ₹29.68 crore; 3) 950 residential units were constructed for Prisons at a cost of ₹39.18 crore; and 4) 3440 quarters are also in the pipeline for Police Personnel at a cost of ₹335.51 crore for which Government orders are awaited.

Summary of tenements added during Eleventh Plan

A summary of physical performance in terms of housing units added by various agencies of the Government during the Eleventh Five Year Plan is given in the Table 7.1.1. As can be seen, the achievement in terms of number of units is 65205 against a target of 228,852 that were planned, due to a variety of reasons including delays in removal of encroachments, litigation, delays in obtaining land clearance and approvals etc.

Table 7.1.1: Financial Achievement and Housing addition during the Eleventh Plan

<table>
<thead>
<tr>
<th></th>
<th>Physical (Nos.)</th>
<th>Expenditure (₹ crore)</th>
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<td></td>
<td>Plan Actual</td>
<td></td>
</tr>
<tr>
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<td>1148.02</td>
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<td>Tamil Nadu Slum Clearance Board</td>
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<td>1318.80</td>
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<tr>
<td>Tamil Nadu Police Housing Corporation</td>
<td>7403 337.66</td>
<td>337.66</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>228852 65205</td>
<td>2893.38</td>
</tr>
</tbody>
</table>

Vision Tamil Nadu 2023

Vision Tamil Nadu 2023 sets the Plan for infrastructure development for the State to reach the desired outcome by 2023. It aims to provide among others, high quality infrastructure all over the State comparable with the best in the world. Under Housing, it is proposed to construct 25 lakh affordable houses to create hut free villages and slum free cities with an outlay of ₹75,000 crore thereby rehabilitating families living in slums. The Vision Tamil Nadu 2023 also envisages Poverty Free State by 2023 - there will be no starvation or destitution in the State.
TWELFTH FIVE YEAR PLAN

Approach, Strategy, Thrust Areas and Specific Goals

Policy initiatives and steps

To address the challenge of providing safe and affordable housing, the following policy level interventions have been made:

- The Tamil Nadu Housing Board earmarks 40 percent of the developed plots for EWS and LIG.
- The Tamil Nadu Slum Clearance Board (TNSCB) develops housing projects exclusively for EWS.
- Development Control Regulation of Chennai Metropolitan Development Authority (CMDA) and Department of Town and Country Planning (DTCP) provide at least 10 percent of developed plots for EWS/LIG.
- Most ULBs allocate 25 percent of the earmarked municipal budget shown as separate head on delivery of services to Urban Poor on ULB revenue in line with the reform commitments under JnNURM and UIDSSMT. They also book the expenditure on delivery of services to urban poor in their budget.

Chennai Metropolitan Development Authority (CMDA)

The principal policies and strategies for Chennai Metropolitan Area have been evolved based on the National Urban Housing and Habitat Policy 2005 and the National Slum Policy. The specific strategies proposed and detailed in the Second Master Plan for Chennai for inclusive housing are summarized below:

- Review of space standards considering land cost, availability of developable lands, land requirements, affordability and space standards for housing developments.
- New housing for EWS and LIG as well as rehabilitation of slum households will be in composite and special neighbourhoods whether developed by the public, private, cooperative or joint sector. These may be in the form of built dwelling units or affordable serviced sites.
- When housing neighbourhoods and apartment blocks are developed by the private sector on lands exceeding one hectare, 10 percent of the land shall be reserved and developed for housing for LIG/EWS with dwelling units not exceeding 45 sq.m either within the site proposed for development or in a location within a radius of 2 km from the site under reference.
- The concept of Transfer of Development Rights will be made applicable to all types of social housing.
- All shelter programmes will be integrated with provision of infrastructure, security of tenure, health and education, livelihood opportunities and skill training and micro finance.
- Public-Private Partnerships will be facilitated to enhance capacity of construction industry to deliver housing for EWS and LIG through prefab and other innovative technology routes.
- Housing will be developed in proximity to employment centres both existing and proposed.
- In the event of housing being developed away from existing employment centres, new employment locations nearby will be created/encouraged.
- Pavement dwellers will be provided with affordable opportunities for housing in selected sites preferably close to their present pavement residence.
**Other Strategies:**

- Taking note of the demands for various target groups for housing, working women’s hostels, student hostels, employees housing by employers, single person dwellings and night shelters will form part of the housing action plans.

- Standard housing includes basic services like water supply, sanitation and proper access roads. Before the Government declared that the unauthorized layout of house sites is opposed to public policy and prohibited registration of plots therein, a number of unauthorized layouts had come up in the last 30 years, which lack basic services. These unapproved layout areas should be properly merged with the urban fabric by framing suitable regulation and permitting constructions in these plots.

- Land assembly using innovative measures such as land readjustment, land pooling, guided development and neighbourhood developments by TNHB and TNSCB severally or jointly will be encouraged to minimize undesirable speculation and increase in land cost to ensure planned development to provide for the needs of the lower income groups.

- Problems of shelter for the urban poor and their shelter improvement should be addressed through improvement of physical surroundings so that it has adequate basic services such as water supply, drainage, sanitation, street lighting, and other physical conditions leading to better hygienic environment; secondly, through the improvement of the actual structures that the slum dwellers live in, preferably by themselves (extending assistance in terms of financial and physical resources) and by encouraging in-situ development; thirdly, through the improvement of the whole economic and social environment beyond the mere physical condition they live in.

- TNSCB would take steps to segregate the slums in unsuitable sites which require resettlement in the nearby sites or elsewhere; high dense slums which cannot be improved on an ‘as-is-where-is’ require to be housed in storeyed tenements; for slums which can be improved on an ‘as-is-where-is’ plans may be prepared with phasing and the same implemented in order to achieve the goal of total eradication of slums in near future, say at the latest by 2021. This policy would incorporate land readjustment and redevelopment using the BOT (Build Operate Transfer) route.

- Identification of suitable land for urban renewal such as redevelopment and rehabilitation taking into consideration the age and structural stability of buildings, land use and level of infrastructure, will be made by TNHB and TNSCB.

- Encouragement and incentives are proposed for development of self-contained new towns and settlements around and inside the CMA with all infrastructure facilities including those required for the IT (Information Technology) developments with all attendant infrastructure facilities and housing needed.

- To discourage speculation and encourage optimum utilization of land, levy of a suitable nature in proportion to permissible FSI (Floor Space Index) can be thought of.

- All Government lands have to be properly identified, documented and safeguarded to prevent encroachment.

- Retrofitting of old and vulnerable houses to make them disaster-resistant would be encouraged by involving financial institutions.

**Area Development Strategies:**

- CMDA will facilitate formulation of local level housing action plans by urban local
bodies in association with public-private sector institutions.

- The housing locations in action plans of urban local bodies will be close and easily accessible from major road arterials and railway, existing and planned.

- CMDA will facilitate local housing plans by rural local bodies by convergence of rural development schemes of government.

- Housing and neighbourhood developments will not be encouraged on high value agricultural land and prohibited on environmentally unsuitable land.

- Fisheries department in coordination with CMDA and TNSCB will facilitate fishermen housing and settlement development close to their work sites.

Department of Town and Country Planning (DTCP)

Provisions available in the Development Control Regulations of DTCP regarding weaker section housing are detailed below:

**Land**

In case where the extent of residential layout exceeds 10,000 sq.m, 10 percent of layout area (excluding road) shall be developed as EWS plots and the owner or developer or promoter shall sell the plots only for this purpose. No conversion or amalgamation is permissible in these cases of EWS plots provided that the minimum size of plot shall not be less than 4.0m in width and 8.0m in breadth and the total area shall not exceed 60 sq.m.

**Building**

In case where is extent of the site where residential or predominantly residential developers proposed exceed 1 hectare, the developer shall reserve minimum 10 percent is the site (excluding roads if any handed over to local body) or 10 percent of total FSI area and provide housing there on for lower income group with dwelling units not exceeding 45 sq.m in floor area, within a radius of 5.0 km from the site under reference. The developer or promoter or owner shall sell these small dwellings only for this purpose. No conversion or amalgamation is permissible in these cases of EWS plots.

**Issues and Challenges**

Some of the critical issues and challenges in provision of affordable housing are listed below:

- **Constraints in implementation:** Lack of purchasing power, security of tenure of land, unclear titles of house property in rural areas, unavailability of flexible housing finance system, lack of awareness about building technologies and paucity of public funds are resulting in inadequate housing and habitat conditions especially for the poor and EWS.

- **Inadequate private sector presence and focus on affordable housing particularly for EWS and LIG:** While a significant part of the housing stock addition in the MIG and HIG segments are being added by the private sector, the proportion of additions in the LIG and EWS segments by the private sector falls short of requirements. Also, while recent entry announced by larger private business houses into the affordable housing segment is expected to give a fillip to private investment in these segments, they would continue to require significant support and investments by Government to bridge the large gaps.

- **Definitional issues and baseline data:** Definitional issues, multiple approaches and unclear identification of slum areas and weaker sections make adopting an integrated approach to provision of urban services and housing even more challenging. Baseline data on urban poverty, slums, and access to basic services among the urban poor is inadequate. The number of informal settlements and pavement dwellers is often understated. City records of slums kept by TNSCB and ULBs particularly in smaller cities are often not comprehensive and understated.
For instance, TNSCB has not declared any new slums in Chennai since 1986. These records need to be updated along with updated information on access to sanitation, water, housing, and other basic services which vary from source to source. This creates challenges in planning for infrastructure provision. As highlighted earlier, there is also a variation in the level of slum population and the estimates of incremental housing demand. While the range of estimates for slum population in urban areas in Tamil Nadu varies between 59 lakh to 86 lakh in 2011, housing shortage is estimated in the range of 26-28 lakh. The recent effort to map slums under the Slum-free City Action Plans being prepared with assistance under the Rajiv Awas Yojana (RAY) is a welcome step in this regard.

- Inadequate focus on infrastructure: Focus on urban poverty has almost exclusively focused on tenement construction and slum clearance rather than focusing on increasing access to basic infrastructure services. Of late, Government has focused on developing tenements taking into account provision of infrastructure services as well as addressing livelihood considerations.

- Coordination across multiple agencies: By design both at the National and State levels, the components of urban poverty and urban infrastructure are handled as distinct subjects often tends to lead to inadequate coordination between infrastructure development and housing schemes. Multiplicity and overlaps in Institutional framework for planning and implementation of programs on urban poverty and slums in the State exist. For example, Slum Clearance Boards, Housing Board and ULBs tend to create stand-alone focus without an adequate city-level perspective in planning and development.

- Capacity for project development and implementation: Despite addition of over 64,000 tenements in the last five years, there is a significant shortfall vis-à-vis additions proposed during the Eleventh Plan. While part of this shortfall can be attributed to external constraints, the shortfall also points to the need for improving capacity in local bodies and agencies involved in the provision of housing.

**Imperatives for Twelfth Five Year Plan**

The following observations summarise the starting point for the Twelfth Five Year Plan from the perspective of urban housing:

- Tamil Nadu’s urbanization trend is expected to intensify. During 2001-11, urban population growth at 27 percent outpaced rural population, which grew at 6 percent. A recent report estimates that the share of urban population in Tamil Nadu will increase from 48 percent in 2011 to 67 percent by 2020.

- The trend of relatively higher growth in larger urban agglomerations will create greater pressure on these areas with respect to housing demand. As against the 27 percent growth in urban population, the top ten Urban Agglomerations in the State have grown faster at 33 percent and this trend is expected to continue. This will put intense pressure on housing demand in these cities particularly at the lower end namely in EWS and LIG housing.

- Housing shortage is estimated in the range of 26-28 lakh in 2011. A “Business as usual” approach could accentuate these gaps and therefore a comprehensive strategy and policy commitment to address this challenge is critical. The growth in slum population has outpaced overall urban growth over the last decade and is a cause for serious concern. Slum population has more than doubled from a reported 23 lakh during Census 2001 (less than 10 percent of urban population) to an estimated 59 lakh (17 percent of urban population in 2011). Thus nearly 25 percent of urban population are reported
to live in semi-permanent and temporary structures translates to about 87 lakh. Chennai alone is estimated to have over 2 lakh families living without a proper shelter.

- While the private sector has played a major role in the HIG and MIG segments, their participation in the lower end of the market continues to be tepid. The focus of private sector has been towards the higher and mid ends of the market to an extent that in pockets of large urban centres there is over supply of housing stock in these segments. However, despite some path breaking initiatives on affordable housing by large private business groups, the actual participation of private sector in the lower end of the housing falls significantly short of requirements.

- Efforts by Government agencies have fallen significantly short of targets. Recent initiatives signal recognition of the housing crisis, hold promise for future and need to be scaled up through an aspirational vision, ambitious targets and clear implementation strategy. The addition of approximately 65000 units by Government agencies falls short of even the modest Eleventh Plan targets. However, with the likely completion of the delayed projects being implemented under the JnNURM and the launch of the RAY, there is a growing policy attention and funding available. With better planning and policy thrust, there is potential for up scaling the housing development projects and moving to bridge the gaps and housing shortage relative to earlier plan periods.

- The public sector housing provider has run out of land bank stocks and is exploring new business models. The TNHB is working on new business models such as joint development and land pooling concept in real estate development to increase supply of affordable housing. In land pooling, the land owner not only gets the market price for land but also benefits from the value addition to the land as he gets a share of the developed portion.

**Gender priorities in the Housing Sector**

- **Women Title in Housing**: The allotment of free housing / pattas for land under Government schemes shall be registered in the name of female member of the family.

- **The sale deed of the houses allotted by TNHB and TNSCB shall also be registered in the name of female member of the family.**

- There is a fair participation by the female workers in the construction industry. However, their participation is limited to lower skill jobs, fetching low wages. Hence, training should be imparted to female construction workers for acquiring high skill jobs.

- The public sector banks/ financial institutions may be encouraged to sanction housing loans to the women applicants on priority basis.

**Programmes / Projects / Schemes of the Twelfth Five Year Plan**

  The specific plans of individual agencies are summarised below:

**Tamil Nadu Housing Board (TNHB)**

  The TNHB has proposed to construct 39437 units all over Tamil Nadu for EWS/ LIG/MIG/HIG categories under self finance and hire purchase schemes at an approximate cost of ₹7633 crore. New projects under joint venture mode, PPPs, self-financing, area development schemes and satellite townships (such as the one planned at Thirumazhisai at a cost of ₹2160.00 crore) will also be implemented. It is also proposed to tap solar energy and adopt Green Building concepts with a view to achieve energy and water conservation.

  It is proposed to allow higher FSI for LIG and MIG houses without insisting on
premium FSI charges, so that the cost of such flats will become cheaper.

**Tamil Nadu Slum Clearance Board (TNSCB)**

The TNSCB intends to adopt the following strategies during the Twelfth Plan.

- During the Plan, the schemes that were to be completed under JnNURM in Chennai, Madurai and Coimbatore will also be completed.
- Slum families living in congested urban slums may be re-housed in self contained multi-storeyed tenements / houses constructed thereon.
- The slum families in objectionable locations are planned to be relocated in tenements at alternate places and developed as integrated townships with required infrastructure.
- The tenements in dilapidated conditions will be demolished and re-developed adopting higher FSI to accommodate larger number of households.
- Composite housing schemes will be developed with a mix of HIG and MIG to cross subsidise investments on slum housing.

**Tamil Nadu Cooperative Housing Federation (TNCHF)**

- The TNCHF proposes to avail an outlay of ₹1400 crore from LIC/Banks/HDFC and HUDCO etc on the security of Government Guarantee for meeting its targets.
- It is proposed to introduce an enhanced interest waiver scheme by increasing the interest waiver from 50 percent to 75 percent in the case of LIG, 25 percent to 50 percent in the case of MIG and 10 percent to 25 percent in the case of HIG. The penal interest will be waived completely. It will be in force up to 30.09.2012. This will provide relief to 1.14 lakh beneficiaries.

**Tamil Nadu Police Housing Corporation Limited**

The Tamil Nadu Police Housing Corporation has set a target of construction of 10450 housing units at a cost of ₹1774.00 crore.

**Themes for Transformation**

Given the glaring gaps and shortage, the Government recognises that a ‘Business-as-usual’ approach is unlikely to yield the required momentum for wide ranging transformation that is required. Hence the key themes for action towards creating access to universal Urban Housing in Tamil Nadu has been proposed during the Twelfth Five Year Plan and beyond.

**Signal policy commitment through developing a well-articulated Urban Housing & Habitat policy and outlining an aspirational Vision and ambitious targets**

- Setting of target of making Tamil Nadu slum-free and the goal of providing access to universal housing a reality within a specified timeframe (say 2025) while enabling creation of at least 20 lakh housing units in EWS segments.
- The target requirement of incremental 20 lakh EWS housing units needs further validation, but given an estimated 14 lakh slum families in 2011, the target addition should be in the range of 20 lakh-25 lakh at the minimum, to achieve a slum free society by 2025.
- This is consistent with the requirements of the National Housing and Habitat Policy 2007 of Government of India and Rajiv Awas Yojana (RAY) that envisage a State Housing and Habitat policy (SUHHP) and State Slum free Plan of Action (PoA) respectively. This programme will be implemented by utilising 50 percent grant assistance from GoI, 40 percent from GoTN and the remaining 10 percent beneficiary contribution. During the first phase of the programme, 1,00,000 houses at a cost of ₹7500.00 crore will be constructed during 2012-2016. As a prelude, socio economic survey of the slums in 9 cities namely Chennai, Madurai, Tiruchirapalli, Salem,
Vellore, Coimbatore, Tirunelveli, Erode, Tiruppur is in progress. After the survey, Slum free plan of action for each city will be prepared and sent to Government of India for approval.

**Box: 7.1.3 Guidelines for Preparation of State Slum Free Plan of Action**

**Rajiv Awas Yojana** envisages that each State would prepare a State Slum-free Plan of Action (PoA). The preparation of legislation for assignment of property rights to slum dwellers would be the first step for State PoA. The PoA would need to be in two parts, Part-1 regarding the upgradation of existing slums and Part-2 regarding the action to prevent new slums. In Part-1, the State would need to survey and map all exiting slums in selected cities proposed by the State for coverage under RAY. In Part-2, the Plan would need to assess the rate of growth of the city with a 20 year perspective, and based on the numbers specify the actions proposed to be taken to obtain commensurate lands or virtual lands and promote the construction of affordable EWS houses so as to stay abreast of the demand. This part would need also to make necessary legislative and administrative changes to enable urban land expansion, and in town planning regulations to legislate reservations for EWS/LIG housing in all new developments.

*Source: UPC-steering committee report on Urban Development for the Twelfth five year plan*

• DTCP and CMDA have proposed to increase the reservation for EWS housing from 10 percent to 15 percent. Importantly, it is critical that the policy measures already in place on special FSI for EWS, use of TDRs (Transfer of Development Rights), Compulsory reservation for EWS etc need to be enforced on priority. As a first step, DTCP, CMDA and ULBs should start disseminating online information including details of building permissions and extent of EWS reservation actually realised etc in their websites including details of non-compliance if any.

**Formulate Master Plans for all urban areas in the State along with effective land-use planning and creation of adequate land banks for housing.**

• To facilitate planned and organized development of urban areas and pro-actively promote balanced urbanization and availability of affordable housing, Government should initiate a focused and State-wide Urban Planning effort covering preparation of Regional Plans and Urban Master Plans that facilitate systematic identification and creation of land banks for housing with focus on EWS and LIG housing. Measures including land pooling and direct acquisition will be adopted to make adequate land available.

**Build a strong Baseline information database on slums and EWS/LIG housing requirements through preparation of Slum free Plan of Action for cities in all urban areas in the state: In the past, slum development schemes have tended to be taken up as piece meal efforts without a comprehensive city wide plan.**

• The availability of funding support and requirement of preparation of Slum free Plan of Action for cities under RAY should therefore be seen as an opportunity to define the size and scope of the housing problem in urban areas in Tamil Nadu.

• Creation of a comprehensive mapping of slum baseline in the city as an input to prepare a holistic and comprehensive Slum free Plan of Action for cities is a key priority.

• While 9 Urban Agglomerations (Chennai, Madurai, Coimbatore, Erode, Tiruppur,
Tiruchirapalli, Tirunelveli, Salem and Vellore) have been selected for assistance under RAY for preparation of Slum free Plan of Action for cities, this needs to be extended progressively to all Urban Agglomerations with more than 1 lakh population (as per Census 2011) and to all urban areas subsequently.

• The Slum free Plan of Action for cities should be backed by mechanisms for beneficiary identification (including appropriate biometric means) and transparent allotment at a project level.

**Prioritize creation of housing projects taking into account urgency and impact.**

• Since the scale of the problem is fairly large, it is critical to prioritize and phase out the actual project development (after preparation of the slum free city plan) and implementation under this program. Focus has to be accorded to rehabilitation of slums in objectionable areas in Chennai and top 10 Urban Agglomerations initially, followed by slum rehabilitation in other cities. It may be appropriate to start with development and provision of housing, livelihoods and other basic services for slum dwellers living in ‘objectionable areas’ like riverbanks. Alongside, the Slum free Plan of Action for cities should also outline clear steps to earmark land for creation of housing stock and provision of adequate housing in these urban areas.

**Clarify Institutional roles while fixing accountability and initiating measures to build capacity.**

• At the start of the Twelfth Five Year Plan, it is critical to review the roles of various agencies to re-align the roles / responsibilities of parastatals and ULBs to effectively implement the targets and policy outcomes envisaged by the Government. Given the challenging issues to be tacked and ambitious targets, it is also critical to embark upon an ambitious capacity building program for these Government agencies and at the local levels to rise to this challenge in terms of improved capacity for project conceptualization, development and implementation. In order to accelerate the pace of institutional strengthening and imparting best practices, it may be useful to set up dedicated Project Management Units (PMUs) / Project Implementation Units at the level of Government and at the level of line agencies respectively.

**Adopt an Integrated approach to project development and implementation addressing access to basic services, livelihoods and innovative financing approaches including use of Public Private Partnerships.**

Apart from provision of just housing stock, the need for an integrated approach for effective implementation of housing projects is recognized. This calls for holistic planning, one that takes into account consultative understanding and mapping of beneficiary needs, planning for provision of physical and social infrastructure services (including energy, water, waste water, waste management, health and education) and enabling/facilitating livelihood strategies for the beneficiaries. Some of the approaches that would be adopted include the following:

• Creation of a Project Development Fund for carrying out feasibility studies, preparation of DPRs and transaction advisory services in case of PPP projects.

• Use of mechanisms including land-pooling and land acquisition through direct negotiation.

• Use of PPP with landowners to promote large housing projects and re-development of slum tenements.

• Projects in joint venture with other agencies including Cooperative Housing Department, Trusts and Private owners etc.

• Re-development of dilapidated and older slum settlement schemes with higher FSI and better facilities.
Adequate thrust may be given to environment friendly approaches to building construction and measures adopted to improve environmental sustainability must be undertaken. In particular, TNHB proposes to adopt Green Building concepts including focus on water and energy efficiency, sustainable site development including solid waste management practices and wastewater recycling and potential to tap solar energy.

Housing project would also incorporate plans for better cost effective and environmentally friendly material and construction techniques. Use of concrete/PVC doorframes and windows would be incorporated while avenue trees and landscaping would be part of the new housing projects.

**Greening Master Plans and provision of sustainable Sanitation Services**

This would be a key element of housing development initiatives of Government. Some of the measures suggested by the Tamil Nadu Pollution Control Board in this regard include the following:

- Environmental clearance to be obtained from the State Environment Impact Assessment Authority as per EIA notification 2006 and consent of TNPCB for all construction projects with a floor space area of more than 20,000 sq.m
- Consent of TNPCB for all housing projects with a floor space area of less than 20,000 sq.m under Water and Air Acts
- All Housing Board and Government projects should be provided with wastewater management systems (either decentralised systems or connected to city-wide sewerage system)
- Provision for decentralized composting in the colony and for collection services for recyclable and inert waste along with ban on plastic with less than 40-micron thickness.

![Fig.7.1.1: Conceptual drawing of Green Building](image)
Box 7.1.4: Green Building Strategies

The main strategies to achieve a green building include:

- **Reduced energy consumption**
- **Water conservation**
- **Recycling waste**

Well designed green buildings will save money, increase comfort and create healthier environments for people to live and work, using improved indoor air quality, natural daylight and thermal comfort.

Energy use by depleting natural resources as well as CO₂ emissions is one of our most important environmental impacts. Volatile energy markets, rising costs and increasing environmental awareness about issues such as global warming make energy efficiency and conservation a high priority. Green Building’s focus is on reducing building energy usage and increasing occupant comfort.

Urban Housing-Service Goals

**Chennai City**

- Preparation of Slum free Plan of Action for Chennai by 2013 and to make Chennai slum free by 2022.
- Completion of implementation of first phase of programme covering at least 1.5 lakh tenements by 2017.

**Rest of Tamil Nadu**

- Preparation of slum free city plans for all UA (with more than 2.5 lakhs population) by 2013 and all ULBS by 2017.

**Twelfth Five-Year Plan: Outlay**

During the Plan period, it is proposed to construct 2.36 lakh housing units. The proposed Plan outlay for the Twelfth Five-Year plan period for the public agencies is given below. It is seen that out of 18298.90 crore, the State Plan fund would be 3382.59 crore and the balance amount of 14916.31 crore have to be mobilized from other sources like GOI Fund, PPPs, self-financing mode, LIC/Banks/HDFC and HUDCO etc.

Fig.7.1.2: TNSCB tenements at Nochikuppam
### Table: 7.1.2: Twelfth Five Year Plan outlay - Urban Housing

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Agency / Schemes</th>
<th>Total Outlay (₹ crore)</th>
<th>Funding Pattern (₹ crore)</th>
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<tr>
<td></td>
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<td></td>
<td>State Share</td>
</tr>
<tr>
<td>1</td>
<td>Tamil Nadu Housing Board (TNHB)</td>
<td>7633.00</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Tamil Nadu Slum Clearance Board (TNSCB)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rajiv Awas Yojana</td>
<td>6000.00</td>
<td>1500.00</td>
</tr>
<tr>
<td>3</td>
<td>JNNURM</td>
<td>1453.48</td>
<td>581.39</td>
</tr>
<tr>
<td>4</td>
<td>XIII Finance Commission</td>
<td>250.00</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Elevated Corridor project</td>
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<tr>
<td>6</td>
<td>Disaster Risk Reduction Project</td>
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<td></td>
</tr>
<tr>
<td>f</td>
<td>Integrated Marina Development Project</td>
<td>136.20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sub Total (TNSCB)</td>
<td>7596.90</td>
<td>1717.59</td>
</tr>
<tr>
<td>3</td>
<td>Tamil Nadu Police Housing Corporation</td>
<td>774.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Tamil Nadu Cooperative Housing Federation</td>
<td>1400.00</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>On Going Schemes</td>
<td>395.00</td>
<td>391.00</td>
</tr>
<tr>
<td></td>
<td>Grand Total - Housing</td>
<td>18298.90</td>
<td>3382.59</td>
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</tbody>
</table>
7.2 URBAN DEVELOPMENT

Urbanisation Trends in India and in Tamil Nadu

Managing urbanisation has been recognised as a critical requirement to achieve positive development outcomes at the national level.

- The Government of India has identified urbanization as a key priority area to meet growth targets for the Twelfth Five Year Plan. It points out that over 300 million will be added to India’s urban population in the next 20-25 years and emphasises the need for a multi-pronged approach covering inclusive cities, Urban Governance, funding, planning, capacity building and low-income Housing to manage this transition.

- The Report of the High Powered Committee on Urban Infrastructure set up by the Ministry of Urban Development, (MoUD) Government of India observes that cities and towns will be the Engines of National Development over the next couple of decades and that cities will play a key role aiding higher rates of economic growth.

Tamil Nadu, which is at the forefront of the urbanization trend, requires closer policy attention to drive positive developmental outcomes.

Tamil Nadu ranks first on share of urban population among large States in the country and third on absolute urban population. As per provisional estimates of 2011 Census, Tamil Nadu has a urban population of 34.9 million, 48.45 percent of its population living in urban areas vis-à-vis the national average of 31 percent. Tamil Nadu is one among the fastest growing States in recent years. Urban population growth in the State (at 27 percent during 2001-11) outpaced rural population growth (6 percent during the same period) and with this trend, overall urban population in Tamil Nadu could exceed rural population within the next few years.

Graph 7.2.1: Urban Population Growth in Tamil Nadu

(lakh population)

Source: Census 2011 report.
Urban Scenario in Tamil Nadu

Tamil Nadu displays a fairly balanced urbanization trend. This wider and balanced urbanization pattern is relatively unique and can be seen as a positive trend from a development perspective. Table 7.2.1 captures trend in urban population growth during 1991-2011.

Table 7.2.1: Trend in urban population growth during 1991-2011

<table>
<thead>
<tr>
<th>Category</th>
<th>Administrative units (Nos.)</th>
<th>Urban Population (Lakh)</th>
<th>Decadal growth (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>3</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Municipalities</td>
<td>108</td>
<td>104</td>
<td>145</td>
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<tr>
<td>Town Panchayats</td>
<td>224</td>
<td>611</td>
<td>561</td>
</tr>
<tr>
<td>*Census Towns</td>
<td>134</td>
<td>111</td>
<td>374</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>469</strong></td>
<td><strong>832</strong></td>
<td><strong>1090</strong></td>
</tr>
</tbody>
</table>


*Census towns:
1. minimum of 5000 population;
2. 2,400 persons /sq.km;
3. 75 percent male population working in non-agricultural activity.

For instance, Chennai Urban Agglomeration accounts for 25 percent of Tamil Nadu’s urban population. However, access to basic services is poor in several parts of the newly added areas of Corporation of Chennai, which today constitutes nearly 50 percent of the population of the Chennai UA. Also nearly 58 percent of the urban population live in the top 25 Urban Agglomerations (UAs). In many of these UAs including Chennai, extended areas beyond the core city are exhibiting faster growth.
Table 7.2.2: Extended areas of Urban Agglomerations witnessing rapid growth

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td></td>
<td>City</td>
<td>UA</td>
<td>City</td>
</tr>
<tr>
<td>Chennai</td>
<td>42.16</td>
<td>65.60</td>
<td>46.81</td>
</tr>
<tr>
<td>Coimbatore</td>
<td>9.23</td>
<td>14.61</td>
<td>10.61</td>
</tr>
<tr>
<td>Madurai</td>
<td>9.23</td>
<td>12.03</td>
<td>10.17</td>
</tr>
<tr>
<td>Trichy</td>
<td>7.52</td>
<td>8.66</td>
<td>8.47</td>
</tr>
<tr>
<td>Tiruppur</td>
<td>3.51</td>
<td>5.51</td>
<td>4.45</td>
</tr>
</tbody>
</table>

Source: Census 2001 and 2011. Secondary Research

Tamil Nadu has urbanised rapidly in the last few decades. This is shown in the chart 7.2.2.

Graph 7.2.2: Urbanisation Trend in Tamil Nadu

Source: Census data 1951 to 2011

Municipal Administration and Water Supply Department (MAWS):

The MAWS department has made massive investment for undertaking critical capital investment works in the urban local bodies for water supply, roads and buildings, storm water drains, street lighting, solid waste management, sanitation and bus stands, commercial complexes etc. There are 10 Municipal Corporations, 125 Municipalities and 529 Town Panchayats under the control of Municipal Administration and Water Supply Department. The departments under the administrative control of MAWS Department are Commissionerate of Municipal Administration (CMA), Directorate of Town Panchayats (DTP), Corporation of Chennai, Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) and Tamil Nadu Water Supply and Drainage Board (TWAD Board).

Commissionerate of Municipal Administration:

Commissionerate of Municipal Administration looks after the affairs of 125 number of Municipalities and 9 city Municipal Corporation (other than Chennai Corporation) in the State of Tamil Nadu. The
Department has multifarious functions in terms of providing basic infrastructure like water supply, roads, street lights, storm water drains, under ground sewerages, sanitation and solid waste management. The Department coordinates the various activities of the Municipalities and Municipal Corporations in the field of Tax Administration, Financial Management, Infrastructure development, Town planning, Urban health, Environment management and Schemes for Urban poor in the State of Tamil Nadu.

**Directorate of Town Panchayats**

Town Panchayats were developed as a transitional body between Rural and Urban Local Bodies. There are 529 Town Panchayats in the state. Town Panchayats Department formulates and implements responsive programmes, services and activities to facilitate urban communities to bring about positive change and strengthen their social and economic fabric. The Department provides adequate infrastructure facilities such as water supply, sanitation, roads, street lighting and other public amenities such as Slaughter houses, Burial / Cremation Ground, bus stands, Shandies etc., to the Town Panchayats.

**Corporation of Chennai:**

The Chennai Corporation is the civic body that governs the city of Chennai. Recently, the area of the Corporation has been expanded from 174 sq. km. to 426 sq. km. by the inclusion of 42 local bodies. The Corporation of Chennai has various functions in terms of providing core civic infrastructures like, roads, storm water drains, parks, street lights, foot paths, bridges and solid waste management for the Chennai city. The Corporation of Chennai is taking several new initiatives to tackle the problem of Solid waste management.

**Chennai Metropolitan Water Supply and Sewerage Board:**

The Department is vested with the responsibility of promoting and securing planned development of water supply and sewerage services, creation, operation and maintenance of the needed infrastructure and implementation of perspective plans to meet both current and future requirements in the areas falling under Chennai Metropolitan limit.

**Tamil Nadu Water Supply and Drainage Board:**

This is an autonomous organization with the stated objective of providing water supply and drainage facilities to rural and urban areas of Tamil Nadu, excluding the Chennai Metropolitan area. The activities of the TWAD Board are Planning, Investigation, Design, Implementation and Commissioning of Water Supply and Sewerage schemes in rural and urban areas, Operation and maintenance of Combined water supply schemes, Water quality monitoring and surveillance programmes, activities on sustainability of drinking water sources and conduct of training related to these functions. The schemes operated under CMWSSB and TWAD Board are elaborated separately under Chapter 6, namely, Water Supply and Sanitation.

**Review of the Eleventh Five-Year Plan:**

There have been efforts to make services available widely, rather than in select cities only. All urban areas in Tamil Nadu have been provided with some form of protected water supply access. Provision of sewerage schemes in all district headquarters in the State and in many more urban centers was made.

Tamil Nadu has been a pioneer in external financing of urban projects and has a number of innovative institutional structures and project level initiatives to its credit. The Tamil Nadu Urban Development Fund (TNUDF) and Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) are the two urban financial intermediaries that are the pioneers and trendsetters in the field of urban finance and are guiding the
ULBs in assessing the financial viability of projects and help in developing the Urban Infrastructure. More capital-oriented projects in Tamil Nadu were developed on the back of a robust cost recovery framework. TN has successfully garnered equity contributions from citizens in the form of public deposits for implementing sewerage schemes, while creating frameworks for ring-fencing finances for debt servicing and O&M (Operation and Maintenance) in water supply and sewerage projects through user charges and dedicated allocation from property taxes.

The State has implemented two World Bank projects and the third is under implementation. The State has also accessed funds from KfW and JICA. The State has implemented some innovative projects using PPP structures and bond financing (eg. Alandur Sewerage Scheme, the Karur BOT bridge, the Madurai Ring Road, etc. The Outer Ring Road in Chennai is on an Annuity based PPP model).

Tamil Nadu has been progressive with respect to urban reforms and has been the first State to implement accrual accounting in all ULBs even before this was announced as a mandatory reform measure under JnNURM. Except for Stamp duty rationalization to 5 percent, most of the mandatory / optional reforms at the state and ULB level have already been implemented.

The State focused on creating and nurturing institutions to support urbanization. The setting up of TNUDF and TNUIFSL, formation of NTADCL with private sector participation, creation of the Tamil Nadu Institute of Urban Studies etc. are some of the initiatives in this regard. Through a number of parastatals such as the CMWSSB, TWAD, CMDA etc, the State has in the past plan periods attempted to ensure creation of adequate capacity to handle and manage the urbanization process, though a review of the roles and mandate of these agencies and their alignment with the functioning of the Local Governments. This has become necessary in the context of urban growth, the 74th Constitutional Amendment Act and the need for greater accountability and efficient service delivery. While the share of devolution to the ULBs has progressively increased, a number of initiatives to support local governance including accrual accounting, e-governance and citizen service centres etc have been implemented.

Against the State Plan Outlay of ₹6110.63 crore for the Urban Development sector, an amount of ₹6733.54 crore was spent.

**Vision Tamil Nadu 2023**

Vision Tamil Nadu 2023 sets the Plan for infrastructure development for the State to reach the desired outcome by 2023 stressing on urban transportation, water and waste-water management, solid waste management, housing, including low income housing. The focus of investments in urban infrastructure is to develop state-of-art infrastructure both physical and social, ensuring seamless connectivity between cities and rest of the State. It aims to provide among others, high quality infrastructure all over the State comparable with the best in the world. It is proposed to put in place a system of integrated multimodal urban transport including mass transit systems for faster mobility in cities and high speed rail connecting Chennai-Coimbatore-Madurai-Kanyakumari. It also provides piped and pressurized 24x7 water supply to all the citizens and ensure that 100 percent of them have access to safe sanitation including open defecation free by 2015 and garbage free environment.

The strategic initiatives include implementing of signature projects like transforming ten cities into world class cities that become the nodes of growth across the State. These cities will become the nuclei and engines for economic growth, thereby facilitating regional and balanced development across the State. The Government will play the role of a change
agent and will originate infrastructure projects in line with Vision Tamil Nadu 2023 and will focus on the important functions of regulations and overall governance and significant institutional reforms to accelerate infrastructure development in PPP mode. The sectoral plan consists of (a) development of Chennai into megapolis at a cost of ₹50,000 crore. (b) transforming ten cities into world class cities with an outlay of ₹1,00,000 crore and (c) urban development for other cities with an outlay of ₹50,000 crore.

**Twelfth Five Year Plan**

**Vision and Goals:**

It is critical for the State to promote and facilitate the development of inclusive and sustainable cities. Tamil Nadu must dramatically step up its performance on delivering basic urban services; bolster its governance systems, planning and funding policies, institutions, and capacity and capability. Such a vision should encompass slum-free cities, less than 10 percent urban poor, 100 percent access to water and sanitation and more than 50 percent share of public transport. To enable this, interventions that strengthen policies, institutions and schemes are required in the areas of governance, planning, funding and capacity building, with innovation as a cross-cutting theme.

Peri-Urban Areas define the fringe of the current and established urban areas and are transition areas, lying at the interface between urban and rural populations, often being converted into urban areas in the next development cycle, and are “characterized by a mix of urban and rural forms and functions”. Peri-urban areas particularly face special problems of slums due to run away growth, rapid volatile land price increase, lack of zonal planning, making them locations where the rapid growth of slums is most visible. Hence holistic planning is required in peri-urban area in a sustainable way. This is a major issue globally, nationally and in Tamil Nadu.

Cities can provide a number of opportunities for improved sustainability:

- Higher densities within urban settlements drag down the costs per household for the provision of various sorts of infrastructure – transport, piped water, sewers, power, and allows the possibility of near-universal provision.
- Higher concentrations of populations also provide more potential for recycling – water and waste.
- Larger and yet more compact cities allow the provision of better public transport infrastructures, which has a direct impact on the environment through reduced emissions and fuel-use.

**Box 7.2.1: Five Strategic Steps To An Inclusive City**

- Assessing the past and measuring progress.
- Establishing new, more effective institutions, or strengthening existing ones as needed.
- Building new linkages and alliances among various tiers of government.
- Developing a sustained vision to promote inclusiveness.
- Ensuring an equitable redistribution of opportunities

Given the increasing pressure on cities, delivering these services will be of no easy task. It will require undertaking bold reforms and administrative actions across four fronts, with innovation cutting across all of them:
Key Recommendations for Implementing the Schemes/Programmes/Projects

To achieve the above vision of inclusive and sustainable urban development, the specific actions that are essential are given below:

**Governance**

- Vest Executive Municipal Authority to Mayor and extend the term to 5 years.
- Set up a Municipal services regulator.
- Introduction of Citizen Charters.
- Corporatisation of service delivery.
- Clarify roles of ULBs and parastatals.

**Box 7.2.3: Working with the National Mission on Sustainable Habitat**

This Mission should be given impetus in the Twelfth Five Year Plan and be used as the vehicle for promoting environmental sustainability. The Mission should be implemented through appropriate changes in the legal and regulatory framework e.g. development controls and regulations, building bye-laws, city development plans, appropriate modal shifts in public transport through city mobility plans and implementation of pilot projects.

Source: Union Planning Commission Report on Urbanisation

**Urban Planning**

- Incentivize strategic densification.
- Fully implement the 74th Constitutional Amendment and constitute the District Planning Committees (DPCs) and Metropolitan Planning Committees (MPCs).
- Restructure the role of Metropolitan Development Authorities (MDAs).

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**Box 7.2.2: Enabling Actions and Desired Outcomes for Urbanization.**

**Enabling Actions**

- Strengthen local government systems
- Integrate Planning Organizations and processes
- Build Capacity across all levels.
- Financially empower ULBs
- Promote innovation in Urban Management

**Desired Outcomes**

- Affordable housing
- Sustainable livelihood and enterprise
- Universal access to water and sanitation
- Quality and affordable urban transport
- Clean and healthy environment.

Source: UPC report on Urbanisation
Twelfth Five Year Plan Tamil Nadu

• Establish State Planning Boards (SPBs). The State Town and Country Planning Department (TCPD) could provide technical assistance to the State Planning Board to conduct its duties. In addition to this, SPB may also avail of external expertise in the form of empanelled spatial planning experts.

• Revise the nomenclature of ‘Master Plan’ to ‘Spatial and Development Plan’.

• Establish /strengthen Unified Metropolitan Transport Authority (UMTA) duly supported by a technical secretariat comprising of urban transport experts.

• Establish Greater Coimbatore Development Authority: Coimbatore is the second largest city in Tamil Nadu and also a nationally important centre for economic activity. Hence a planned development regulated by an empowered body is needed.

Funding Urban Infrastructure

• Introduce Local Bodies Finance list in the Constitution.

• Ensure revenue sharing from States to ULBs.

• Establish a comprehensive approach to facilitate PPPPs ‘4P’ framework-People-Private-Public Partnerships.

• The Tamil Nadu Infrastructure Development Board has been created, which will be the nodal agency for the Infrastructure Development and shall steer specific high impact projects on a Mission mode.

Reforms in property taxes.

• Encourage pricing of FSI.

• Determine user charges to cover the O&M costs.

• Set up a City development fund.

• Constitution of a State level Property Tax Board to review the present property tax system and making suggestions for proper valuation of properties and due assessment.

Capacity Building

• Create a Municipal Cadre.

• Create a separate division for capacity building.

• Address supply side constraints primarily by augmenting capacity and by re-orientation of existing institutions.

• Create a centre of excellence in each of the important areas of urbanization viz. housing, planning, water and sanitation, disaster management, urban finance and PPP, e-governance, urban governance related issues and urban poverty alleviation.

• Information on infrastructure at ULBs.

• e-governance

• GIS and spatial information

• Benchmarking on Service levels

• Citizen centric sharing.

Strategies

• Planning needs to be hierarchical and integrated-regional, urban, zonal and local for effective land use and environmental sustainability.

• Environment and natural regions should ideally be the basis for regional and urban planning boundaries. For this, appropriate coordination/joint planning mechanisms may need to be evolved straddling administrative boundaries.

• Urban and regional planning needs to become integrated, dynamic and flexible, to adjust to the changing realities and addressing present complexities.

• New and proposed-New Towns, Special Investment Regions, and SEZs should be part of the larger Regional Plan.

• Transport planning should be properly integrated with land use plans and considered as an integral component of urban and regional planning.

• Regional and urban land development should be seen as spatial environmental
planning exercises which will address development issues as well as environmental concerns.

• Regional environmental Impact assessments should be initiated for each Regional Plan/Master Plan/ City Development Plan so that adverse Environmental Impacts are minimized.

• Formulating and implementing local environmental codes/ bye-laws need to be given greater importance to account for city-specific environmental concerns.

• Create an Urban Spatial Data Centre (SDC):

• Internalizing climate change in land use planning and regulations, vulnerability assessment etc should be given priority under the present context of global warming and climate change to address the issue of sustainability of cities.

• Convergence (as per the 74th /73rd CAA) in the State, district level and the metropolitan planning is still weak and should be improved through better coordination of different institutions at the State level. Convergence of different plans like Regional Plans and Master Plans, City Development Plan (CDP), RAY, City Sanitation Plan, Vulnerability Disaster/ Resilience Plan etc. needs to be ensured through better coordination among the concerned authorities.

• Efforts should be made towards extending basic services widely covering all urban centres, rather than a few select cities.

• Defining the size of the problem through Slum mapping and preparation of slum free Plan of Action for cities as envisaged under RAY.

• Private sector and consultants now a days are very strong and technically sound. They should be involved more into development planning practice.

• Provision of land through various schemes like JnNURM, Town Panchayats schemes etc. should be carried out to augment the supply of land resources for balanced development.

• Preparation of State level land use Plan should be accomplished on an urgent basis.

• Coastal urbanization is bound to increase along with the transport and rail corridors. The developments in these areas should be controlled and regulated in conformity with the Coastal Zone Regulations under the Environment Protection Act.

• Special land use strategy will have to be evolved to address urban expansion and outgrowth.

• Regional and cluster based land use planning should be more practised for special facilities like solid waste management sites or green building/ infrastructure development sites.

• High density, low rise development should be emphasized more to reduce use of land and stress on urban environments.

• Development plans and Master Plans should focus more on environment and resources like urban water bodies, forest and bio diversity etc. This can shape a city towards sustainable environment creation.

• Provision of night shelters to the pavement dwellers, street children and to homeless elders.

• Provision for street hawkers/vendors in the spatial plans to minimise encroachment on the roads meant for urban transport.

• Adoption of green building concepts including focuses on water and energy efficiency, sustainable site development including Solid Waste Management (SWM) practices and waste water recycling and potential to tap solar energy.

• To strengthen Research and Development (R&D) on cost effective environmentally friendly material and construction techniques

• Urban farming/ terrace farming plus
growing as a way to enhance green cover should be promoted.

- Common Access Standard for entire Chennai /UA: With the expansion of city limits, it may be necessary to re-work the demand estimates and plan / implement projects to enable equitable access / service levels throughout Chennai / UA.

- Thrust should be made to recycle the waste water for re-use particularly for gardening, industrial use etc.

- Access, Improvements, maintenance of Public Toilets.

- Open defecation is a major issue and this has to be addressed with an Action Plan. There should be a thrust on Public Health and Hygiene, so that this practice shall be eradicated by the year 2015. Certain schemes such as Construction of Public toilets, Repair of toilets and Providing water supply and electricity have been launched in 2011-2012 and these will be continued during the Twelfth Five Year Plan period.

- For the ‘Rest of Tamil Nadu’ State level Master Plans for water supply, sewerage and sanitation would be prepared.

- Building Capacity: The mandate of CMWSSB calls for a massive increase in capacity for implementing projects and managing the O&M requirements.

- Framing of clear cut policy instrument for conservation of heritage buildings.

- Need for a Comprehensive Urban Information System.

- Mission Mode Approach for Integrated urban solid and liquid waste management.

- To Map out linkages between different institutions /departments for creating an institutional mechanism for convergent decision making for the optimum use of resources

- To bridge the gap in financing land development and infrastructure projects, a supportive policy environment should be created to promote PPPs, Joint venture etc.

- In order to increase revenue base of ULBs, GIS based land records should be prepared to update taxing method and increase coverage. Automatic indexation and revision should also be done to tap maximum resources available.

- Innovative mechanisms should be adopted like betterment charges, levies etc.,

- Sale of unused land and assets held by ULBs implementing TDR mechanisms etc. can be adopted to help the local bodies to undertake infrastructure projects.

**Issues and Challenges**

*Service level gaps continue to grow with greater urbanization:*

Even though urban investments have been stepped up significantly, the pace of infrastructure creation continues to lag behind population growth and demand for services. For instance, Tamil Nadu is yet to comply with SWM Rules 2000 laid down by the Supreme Court. Two-thirds of cities are classified poor to average based on per capita water supply. Wastewater treatment capacity continues to be negligible vis-à-vis overall generation.

*Planning for investment continues to be at ULB level:*

Regional/Urban agglomeration level planning efforts need to be stepped up. There is thus a need to prioritize planning, infrastructure provisioning, investments and capacity building efforts in keeping with this emerging urbanization pattern. While in Chennai region there has been some planning efforts in view of CMDA’s Second Master Plan and other related efforts, the Department of Town and Country Planning that is responsible for planning effort in rest of Tamil Nadu requires significant capacity creation with focus on the larger urban agglomerations.
While the institutional framework has served well in terms of supporting urbanization till date, there is a case for reviewing the same in the following areas.

**Streamlining/clarifying role overlaps of parastatals and synchronising functioning with end objectives envisaged in the 74th CAA:**

There are institutional overlaps in handling various activities. For instance, Grant Funds for project development in the past have been handled by both CMA and TNUIFSL. Similarly, a host of project approvals are required from agencies including CMA, TWAD / CMWSSB, Financial intermediaries and at the level of Government apart from resolutions from the ULB. While these overlaps sometimes are necessary to provide for checks and balances and enable a consensual decision-making, the case for rationalizing these processes may need to be examined to improve pace of decision-making and minimize delays. Similarly while the State has moved a fair bit vis-à-vis the transfer of functions envisaged under the 74th CAA (17 of the 18 functions under the 12th schedule are reported to be at least partly transferred to ULBs), a number of functions continue to be handled at the level of State departments or by parastatals.

**Improving coordination across departments:**

As seen in the above framework, the urban policy and institutional context is addressed under three different departments. This can lead to lack of coordination while planning and implementing citywide initiatives. For instance, while urban planning is addressed under Housing and Urban Development (H&UD), municipal investments and administration is being handled under the Municipal Administration and Water Supply (MAWS).

**Encouraging ULB level capacity creation and autonomy:**

Even though capacity at local levels has improved significantly in view of the measures in terms of local reforms in accrual accounting, e-governance etc., capacity to conceptualize and implement projects is limited. The experience from JnNURM underscores the absence of adequate capacity among ULBs to prepare, implement or manage infrastructure projects even when finances are not a constraint. While parastatals and state agencies have helped bridge the capacity gap somewhat, it may be necessary to build capacity at the local level apart from delegating responsibility and devolving financial / functional powers for going forward.

**Devolution of funds to local bodies:**

The Fourth State Finance Commission has submitted its report and the same is under examination and funding will be provided to local bodies accordingly. In addition, assistance under the 13th Finance Commission recommendations will also be provided.

**Local skill development and capacity building:**

Though there has been an enhanced focus on addressing local capacity and several training programs being conducted, the focus tends to get dissipated due to stand-alone isolated and sometimes redundant training and skill development programs under separate schemes. There appears to be a case for a systematic and holistic review of staffing pattern and assessment of skill gaps and training needs in the local bodies and to structure a long-term plan for skill building and training at different levels and
across different categories of ULBs. This is particularly critical in the context of greater decentralisation and delegation of powers, reform initiatives, higher population growth and adoption of modern urban practices and information technology.

Even though investments have been stepped up, past experience suggest several constraints in absorption capacity at the level of city and sectoral planning, project development and implementation.

Table 7.2.3 reflects the absorption capacity limitations even in projects where financing has been tied up due to various reasons. 10 of 25 underground drainage schemes have been delayed for more than two years. Delays are due to a combination of Land Acquisition, contracting bottlenecks, inadequate clarity in procurement processes, coordination issues and delays in clearances from State Pollution Control Board and changes in project specifications post DPR approval, cost escalation and change in the ratio of grant and loan.

Table 7.2.3: Actual Absorption Levels Under Various Investment Programmes

<table>
<thead>
<tr>
<th>Program</th>
<th>Loan (₹ Crore)</th>
<th>Grant (₹ Crore)</th>
<th>Total (₹ Crore)</th>
<th>Absorption (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TNUDP III</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outlay</td>
<td>602.60</td>
<td>811.90</td>
<td>1414.50</td>
<td></td>
</tr>
<tr>
<td>Committed</td>
<td>564.5</td>
<td>800.01</td>
<td>1364.51</td>
<td></td>
</tr>
<tr>
<td>Disbursed</td>
<td>328.75</td>
<td>368.51</td>
<td>697.26</td>
<td>49.29</td>
</tr>
<tr>
<td>TNUIP (JICA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outlay</td>
<td>180.5</td>
<td>102.73</td>
<td>283.23</td>
<td></td>
</tr>
<tr>
<td>Committed</td>
<td>83.3</td>
<td>24.65</td>
<td>107.95</td>
<td>35.98</td>
</tr>
<tr>
<td>Disbursed</td>
<td>271.2</td>
<td>150.8</td>
<td>422.00</td>
<td></td>
</tr>
<tr>
<td>SMIF-TN (KfW)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outlay</td>
<td>271.09</td>
<td>150.8</td>
<td>421.89</td>
<td></td>
</tr>
<tr>
<td>Bond market</td>
<td>92.15</td>
<td>53.51</td>
<td>145.66</td>
<td>34.52</td>
</tr>
<tr>
<td>JnNURM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approved</td>
<td>5243</td>
<td>5243.00</td>
<td>10486.00</td>
<td></td>
</tr>
<tr>
<td>Disbursed</td>
<td>1943</td>
<td>1943.00</td>
<td>3886.00</td>
<td>37.06</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>7379.54</td>
<td></td>
</tr>
<tr>
<td>Disbursed</td>
<td>2893.87</td>
<td>39.21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rounded to:</td>
<td></td>
<td>40</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Actual absorption levels under various investment programs have been less than 50 percent.
The service gaps in the Twelfth Plan call for a huge step up in investments if one were to look at actual absorption and implementation; the target appears even more daunting.

Borrowing capacity of the ULBs is likely to be limited given the absorption under existing borrowings and hence meeting the investment target will require a substantial increase in Government of Tamil Nadu outlay and support from Government of India schemes like JnNURM from current levels.

External lines of credit under TNUDP-III has been almost fully committed and hence there is a need to identify a pool of projects to be in a position for extended Line of Credit support from World Bank and other agencies. Also while funding from JnNURM and UIDSSMT is likely to be stepped up from the current mission levels, it could get delayed given that the mission period is coming to a close in 2012 and the central schemes are under review and revision.

Table 7.2.4: Strengths, Weaknesses, Opportunities and Threats (SWOT) for Urban Sector in Tamil Nadu

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relatively balanced and dispersed urbanisation facilitating uniform growth opportunities</td>
<td>Capacity to plan for growth beyond conventional municipal boundaries</td>
</tr>
<tr>
<td>Efforts to provide wider access to urban services; for e.g., Plan to provide sewerage networks in all district headquarters</td>
<td>Access to urban services lags population growth. For instance, less than one-third cities are reported to have ‘good’ water supply.</td>
</tr>
<tr>
<td>Demonstrated experience in implementing innovative urban financing approaches viz., Lines of credit, bonds, pooled bonds and PPPs</td>
<td>Poor and deteriorating municipal finances due to unclear policy, resistance to revise taxes and user charges, increase in borrowings.</td>
</tr>
<tr>
<td>Robust institutional framework and progressive reform orientation.</td>
<td>Low absorption capacity at local level.</td>
</tr>
<tr>
<td></td>
<td>Overlaps and multiplicity of roles of institutions stifle decision making and lead to delays</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amenability to replicate asset creation and service delivery across the State through creation of standards</td>
<td>Under a ‘Business-as-usual’ approach, urban services could deteriorate and disparities could widen</td>
</tr>
<tr>
<td>Systematic approach to Project development to create a shelf of bankable projects with positive development outcomes</td>
<td>Urban quality of living could worsen</td>
</tr>
<tr>
<td>Availability of financial resources from Government of India (through schemes such as JnNURM and RAY, Viability Gap Funding for PPPs)</td>
<td>Leveraging resources and borrowings could become difficult with constrained municipal finances</td>
</tr>
<tr>
<td>Scope for leveraging other resources including implementation of Public Private Partnerships</td>
<td></td>
</tr>
</tbody>
</table>
Thus, while urbanization is correlated with positive development outcomes, it needs to be managed and planned for, to achieve inclusive growth, sustainability and improved quality of living. This will require sharper policy attention, focused institutional strengthening and capacity building to improve equitable access to urban services and reduce urban poverty. A state wide strategy is critical to translate the urbanisation trend into positive development outcomes of economic prosperity, inclusive growth, social well-being, environmental sustainability and importantly improved quality of living.

**Box 7.2.4: Strategies to translate the urbanisation trend into positive development**

- Delivery of basic services to the lesser privileged in an efficient manner during urban transformation.
- Solutions must be transformational not incremental.
- Should address the imperatives of social equity and inclusive growth in a sustainable fashion.

As the largest urban cluster in the State constituting more than 25 percent of urban population of Tamil Nadu, issues relating to Chennai region are separately discussed. This is also consistent with GoTN’s recognition of the need to accord a focused thrust to upgrade urban infrastructure in Chennai region as reflected in its announcements in the recent budget where two separate urban missions have been announced, one focused on Chennai and the other one on rest of the urban areas in Chennai.

**Important Programmes / Schemes / Projects to be carried out in the Twelfth Five Year Plan**

- The Government has established an ‘Urban Development Mission’ for all Corporations, Municipalities and Town Panchayats and also aims to improve rural amenities to match urban standards. Considering the importance of urban infrastructure, two new special programmes viz., “Chennai Mega City Development Mission (CMCDM)” for Chennai and its sub urban areas at ₹500.00 crore per year and the “Integrated Urban Development Mission (IUDM)” for all other Corporations, Municipalities and Town Panchayats at ₹750.00 crore per year are being implemented. Under CMCDM, Government had accorded sanction for integrated development of roads with storm water drains, ducts, and street lights to bring the newly added areas of Chennai city on par with the core city. The funds are being utilized to provide a complete face lift to the extended areas by laying ‘State-of-the-art’ roads with all required utilities. It is hoped that the Missions will ultimately achieve the objective of developing urban areas into sustainable cities and ensure equitable benefits to all the sections of the society. Since faster economic growth and inclusive growth are key objectives, urban development management can be a key vehicle for achieving this objective.
- The funds of CMCDM are being utilized to provide a complete face lift to the extended areas by laying State-of-the-Art roads with all required utilities.
- Considering the poor infrastructure in the Madurai city, a special package of ₹250.00 crore has been proposed for the comprehensive infrastructure improvement as one time grant.
- Sriperumbudur town panchayat of Kancheepuram district has been selected as a satellite town under the centrally sponsored scheme of urban infrastructure development. The objectives of the scheme are to reduce pressure on million plus urban agglomerations by developing infrastructure facilities in the satellite towns and to sustain them by implementing reforms such as energy audit, water audit, introduction of cost effective technologies.
and capacity enhancement for improved Operation & Maintenance. The scheme encourages Public Private Partnerships in the development of the satellite town. The cost would be shared by the Government of India, Government of Tamil Nadu and the Sriperumbudur town panchayat in the ratio of 80:10:10. An amount of ₹10.00 crore is also been proposed for urban infrastructure development in Sriperumbudur town panchayat.

- It is proposed to implement a waste to energy project in PPP mode in Tirunelveli Corporation.

- Institutional framework for the urban sector, thus comprises multiple departments and a number of parastatal agencies. The parastatal agencies and State Departments continue to play a fairly key role in planning and execution of various functions that have been envisaged for full transfer to local bodies following the 74th Constitutional Amendment Act.

- Similar to the institutional context, there are differences in supply of services too; this difference has necessitated different thrust areas for each of these administrative units. The Twelfth Five Year Plan has rightly pitched in the two missions to speed up supply of services to the required levels of these units.

- The Corporation of Chennai limit was extended from 174 sq. km to 430 sq. km with the merger of 9 municipalities, 8 town panchayats and 25 panchayats with the erstwhile Corporation limits.

- The Chennai Metropolitan Development Authority (CMDA) has taken up the task of reviewing the Chennai Metropolitan Planning Area declared in 1973-74 taking into account the faster development in areas as Sripurambudur, Kelambakkam, Thiruvallur, Marai Malai Nagar. Detailed Development Plans under the Second Master Plan are under preparation and expected to be completed in the next two years. The concept of Transfer of Development Rights (TDR) has been incorporated in the Second Master Plan (SMP).

- A revised City Development Plan for Chennai prepared with assistance from City Development Initiative for Asia (CDIA) in 2009 identified a ₹21,437 crore worth investment pipeline.

- It is proposed to amend the development control rules to ensure provision of a barrier free environment for differently-abled persons.

- The Tamil Nadu Urban Livelihood Mission will focus on livelihood security for the urban poor by providing skill and employment opportunities, housing and basic amenities, universal access to health and education, social mobilisation and special homes for vulnerable groups like street children and urban homeless, etc., It will lay special emphasis on inclusive policies involving women, destitute and differently abled persons by dovetailing ongoing sectoral programmes.

- Tamil Nadu has met the challenges of urbanization through innovative means including the Tamil Nadu Urban Development Fund (TNUDF), which was model for the Jawaharlal Nehru National Urban Renewal Mission (JnNURM). The JnNURM has provided necessary funding for the infrastructure development in the Mission cities of Chennai, Madurai and Coimbatore. The scheme is being completed as on 31st March 2012. Achieving financial sustainability through own resource mobilization of city level governments has been an important objective of JnNURM.

- Under the Twelfth Plan period, the JnNURM II would be launched as a State sector Admissible Cost Assistance(ACA) scheme. The scheme will have a focused approach on urban reforms, capacity building and helping to achieve fiscal prudence across ULBs.

- To raise livability in the city, given the rapidly rising traffic intensity, the Government has proposed to introduce a
Monorail System integrated with MRTS (Mass Rapid Transit System) and Metro Rail for Chennai. Monorail will also be introduced in the second-tier cities where the traffic intensity is at a rise. This will raise the modal share of public transport from 27 per cent to around 46 per cent eventually.

• A 62.3 km Outer Ring Road is being developed to relieve congestion within the city and catalyse even dispersal of urban growth. Implementation of the first phase from NH 45 (Vandalur) to NH 205 (Nemilichery) for a distance of about 30 km, facilitating six lane traffic under Build, Operate & Transfer (BOT) basis on annuity format underway and acquisition for development of the ORR in the second Phase is under progress.

• Priority will be given for the strengthening of Preventive Health Care in the urban areas. The measures may include, strengthening preventive healthcare system including 100 per cent vaccination, safe drinking water, management of MSW (Municipal Solid Waste) and ambient air quality and aggressive control of vectors that cause diseases. The National Urban Health Mission shall be considered to meet these objectives. Strengthening of secondary and tertiary health care system in urban areas using PPP (Public Private Partnership) model involving Private and Corporate hospitals along with the Government sectors wherever possible has to be explored. Under the guidance of National Urban Health Mission, to improve the health facilities in urban areas, one 24 hours Urban Health Centre shall be created on every 50,000 population.

• Provision of piped and pressurized 24x7 access to water

• Urbanization creates challenges in provision of potable drinking water for the millions and also in safe disposal of the sewage. In this regard, concrete action plan for provisioning a “lifeline supply” to the urban population has to be contemplated along with augmenting the water supply. This may involve strengthening and re-launch the campaign for rain water harvesting systems, exploring new water sources including desalination, augmentation and improvement of water bodies, recycling and use of waste water, etc. In order to assure the quality of drinking water, the quality has to be checked at the water sources, water treatment plants, water distribution stations and importantly at the consumer end.

• Considering the growth and expansion of Chennai city, it is proposed to set up a 400 mld desalination plant in Pattikulam, south of Chennai.

• New Combined Water Supply schemes and Water Supply Augmentation schemes will be taken up the cost of ₹7000.00 crore for providing clean drinking water.

• A comprehensive action plan for waste water management to improve and integrate sewerage systems in Chennai and its sub-urban areas, complete treatment and recycling of waste water and to prevent the entry of sewage into the city river system has been prepared.

• The CMWSSB has initiated action to put up a 45 MLD tertiary treated reverse osmosis plant in Koyambedu at a cost of Rs.90.00 crore. More such projects will be implemented under PPP mode for recycling sewage to meet industrial needs.

• Eradication of open defecation in urban areas by the year 2015

• At present, only select cities in the State have modern underground sewerage system to treat the sewage. It is the endeavour of the State to build modern underground sewerage system for all the ULB in phases, by resorting to innovative ideas. During the Plan period, developing an integrated approach to domestic water management will be focused. Apart from this, localized waste water systems will also be encouraged.
• Solid Waste Management remains a challenge for the ULB in collecting and safely disposing the garbage. Special thrust will be given to modernize the SWM system for garbage free environment in the ULBs by evolving an Action Plan including the development of regional landfills to tackle this problem in an integrated manner. An Integrated Solid Waste Management Policy will be framed. As the Solid Waste Management (SWM) is an obligatory function of the Civic Local Bodies, special emphasis is being made on the implementation of the “Municipal Solid Wastes Management & Handling Rules, 2000”. In the case of MSW management, major requirements is acquiring land for landfills, upgradation of landfills and creation of waste processing sites. It is also proposed to encourage creation of self sufficiency in waste and resource management.

• Electricity generation from incinerating biomass is increasing throughout the world. The market driver for this increase is the global development of renewable energies. Biomass is, in contrast to water, wind and sun, the only renewable energy source that does not depend on the weather and guarantees a continuous energy generation. Measures will be taken to encourage energy through biomass.

• Rapid urbanization is also contributing to increase in urban poor. In this regard, various services for the urban poor will be integrated and a targeted approach will be introduced to tackle urban poverty and to improve the quality of life for the poor.

• The Land Planning and Development Regulatory Bodies in Tamil Nadu are Directorate of Town & Country Planning and Chennai Metropolitan Development Authority. The area covered under DTCP is 1,28,869 sq. km and the area under CMDA is 1189 sq. km. Both the above bodies work towards the harmonious development of the State as per planning norms and parameters, by land use regulations through the preparation and implementation of Master Plans and Detailed Development Plans (DDP). The Plans take into consideration the need for the provision of effective road network, fixing alignments of bypass, ring roads etc. The regulatory bodies also take up several initiatives to improve Traffic and Transportation by creation and upgradation of infrastructural facilities. The thrust would be now for covering more areas for the preparation of City Development Plan (CDP) and the focus would be towards an outcome-based approach that is based on service level delivery rather than an approach that focuses only on investments and asset creation.

• Green Chennai: The Corporation of Chennai has identified 100 new locations for parks.

• Creation of an Urban Spatial Data Centre (SDC): It is imperative to assimilate reliable and updated spatial data for effective decision-making, preparation of spatial plans, sharing between departments, and for urban management. The value of GIS spans across land records, land management, municipal tax charges, monitoring services such as water supply, roads, waste management, etc. This data is essential and unfortunately, does not fully exist today. For example, high quality maps are required for effective metropolitan area planning. The Metropolitan Spatial Data Cell can be linked to the State SDC such that the base maps rest with the SDC, but the MSDC can overlay data layers and modify them as required.

• Disaster Management Authority is evolved for dealing with climate change mitigation and management and appropriate institutional mechanisms for dealing with disaster management and to render emergency help to the people in storms and floods, cyclone, life threatening emergencies etc.
Fig. 7.2.1: Metro Rail

Fig. 7.2.2: Mono Rail

Fig. 7.2.3: Solid Waste Management in Chennai

Fig. 7.2.4: Outer Ring Road

Fig. 7.2.5: Storm water drain: This design lets water fall into a catch pit through grating in the kerb gutter with proper sloping in carriageway design

Fig. 7.2.6: Green Chennai: Corporation has identified 100 new locations for Parks
Box 7.2.5: Satellite Towns

Strategy for development of satellite towns: Tamil Nadu shall facilitate the growth of satellite towns and the twin–city concept. A major metro attracts the bulk of migration and highway corridor development all around it. If the region is planned and developed proactively, satellite towns around such magnet cities can become catchment areas for further urbanisation. The McKinsey Global Institute (MGI) report on India’s urbanisation estimated the potential of creating 25 such satellite towns, each with a population of 0.5 to 1 million. In order to facilitate successful development of these satellite towns, best practice planning and governance systems should be implemented. This should be supplemented with adequate financing right from the stage of inception. Secondly, the government should become an active facilitator especially in the provision of infrastructure with long lead times such as bulk water, electricity and trunk transportation connectivity.

Urban Poverty

Urban poverty is a multidimensional phenomenon. The urban poor live with many deprivations. Their daily challenges may include:

- Limited access to employment opportunities and income,
- Inadequate and insecure housing and services,
- Violent and unhealthy environment
- Little or no social protection mechanisms
- Limited access to adequate health and education opportunities.

Initiatives for the Twelfth Five Year Plan: Effective and institutionalized community engagement:

The involvement of the urban poor community, in schemes affecting their lives, should be the cornerstone of any programme design. It should include involvement of the community in planning through the institutionalization of community planners, execution, and analysis/feedback of various schemes. To this end, the creation and recognition of CBOs
(Community Based Organisations) in slums, federated at a higher level into an association/federation, eventually working to the administrative level of the ULBs with clear-cut, institutionalized frameworks mandating dialogue between ULB level functionaries and the community should be mandated. It should become the cornerstone of the delivery mechanism for urban poverty alleviation programmes. The involvement of NGOs in programmes and schemes may be encouraged wherever appropriate to the aims of the scheme.

**Financial inclusion of the urban poor:**

Unless a deep commitment to facilitating financial inclusion for the urban poor and informal settlements is undertaken, no strategy can bring in sustainability and improvements to their livelihoods and habitat. Any strategy, programme and/or scheme for urban poverty alleviation, must include a component of financial inclusion. Many schemes and innovations are already in place with a primary focus on rural financial inclusion; these could be extended to the urban areas. These schemes need to be promoted and prioritized for urban areas. Wherever possible, the involvement of private players in finance, banking and insurance should be encouraged. Funds should also be earmarked for innovation in urban poverty alleviation.

**Planning for urban poverty alleviation:**

Currently urban planning bodies function separate from bodies planning for urban poverty alleviation. Issues such as land-use, which have a direct impact on the availability of land for affordable housing for the urban poor, gets decided and planned for independent of the considerations of the poor. City-level urban poverty alleviation instruments such as city-development plans, city health plans, slum-free Plan of Action for cities, urban poverty reduction strategies and other such documents must feed into and collaborate with formal urban planning instruments. In addition to this, special attention must be paid to poverty and slums in peri-urban areas and the related planning instruments applicable to these areas. The involvement of the community planners in the urban planning process should be emphasised. The State Government should take the necessary corrective action to ensure that urban planning includes the poor.

**Promotion of livelihoods and skill development of the urban poor:**

Livelihoods and skill development of those occupationally vulnerable should be accorded priority under the Twelfth Plan. This implies focus on three key areas. First is the continued focus on micro-enterprise and skill development of the urban poor. Schemes developed should be demand-driven with a focus on what the urban poor themselves would like training on. Second is the pro-active and mandatory creation/allocation of spaces within city-boundaries for the lives and work of the urban poor. Special care should be taken to ensure that these spaces so identified, do not relegate the urban poor livelihoods to city peripheries or spaces unrelated to natural markets. Finally, appropriate corrective legislative action should be undertaken to ensure that in the interests of ensuring public safety and preventing public nuisance, the rights of the urban poor to a productive livelihood are guaranteed. Special attention should be paid to legal instruments that delegate urban informal sector livelihoods, especially street vending to the illegal sphere and corrective action taken accordingly.

**Provision of a social safety net to the chronically poor:**

This includes social assistance in the form of pensions, insurance and cash and in-kind transfers to target the most vulnerable and destitute among the urban poor.

Based on the principles outlined above, a recommended mission called “National Urban Poverty Alleviation Mission” or (NUPAM) is at the centre consisting of three sub-missions on housing and basic services i.e. Rajiv Awas Yojana (RAY), livelihoods i.e. the National Urban Livelihoods Programme (NULP), and social assistance i.e. the National Urban Social Assistance Programme (NUSAP). A diagrammatic representation of NUPAM and its three sub-missions is given in Fig 7.2.7.

Sub-Mission I: Rajiv Awas Yojana (RAY)

RAY is for affordable housing and basic services: The programme will tackle residential vulnerability including the provision of affordable housing and basic services to the urban poor.

Sub-Mission II

National Urban Livelihood Programme (NULP) :- NULP will tackle occupational
vulnerability by focusing on skill training and micro-enterprise development. In keeping with the principles of a holistic convergent approach, the Government proposes the dovetailing of the SJSRY scheme as a sub-mission of NUPAM at the central level in the Twelfth Five Year Plan. NULP will aim at inclusion of the urban poor and vulnerable as an integral and valued part of urban life and economics. It will build up capacities and skills in sectors with growing employment opportunities, and organise the urban poor through the formation of occupation-based and neighbourhood-level institutions, federating them at higher levels. It will promote equitable access to basic services necessary for livelihoods including water supply, sanitation, electricity and transport. And finally, NULP will promote equitable access to financial services and credit for employment and enterprise generation among the urban poor. NULP will deal with on urban livelihoods including segregation, insecurity, lack of skills, policy and legislative exclusion, financial exclusion, inadequate service provision, and strategy, including lack of access to information on and access to technology, raw materials and markets.

Sub-Mission III: National Urban Social Assistance Programme (NUSAP): Social Vulnerability

Social security programmes of the government of India for the poor have long focused on programmes such as rural employment guarantee through the National Rural Employment Guarantee Act (NREGA), 2005, insurance for informal sector workers through the Rashtriya Swastha Bima Yojana (RSBY), and social assistance benefits for poor households focusing on the aged, widows, and the disabled through the National Social Assistance Programme (NSAP). However, there has not been a unified movement towards the provision of social security and social assistance to the poor in urban areas. While the coverage of RSBY and NSAP does extend to urban areas, their impact on the urban poor is marginal. Further, both RSBY and NSAP focus on segments of the poor population such as informal sector workers, aged, widows and the disabled as opposed to the entire gamut of socially vulnerable persons in urban areas.

Long-Term Vision of Inclusive Urban Development

The NUPAM should be looked as a long-term sustained strategy for urban poverty alleviation that is dynamic and decentralized over the next 20 years with clear-cut goals and vision. Linkages between the lives and livelihoods of the urban poor to water, sanitation and solid waste management should be acknowledged. In particular, issues of livelihood of waste pickers and their contribution to city solid waste management were considered important.

Targeting of beneficiaries under NUPAM should be contingent on the identification of urban population that can be categorized under the three aforementioned vulnerabilities. The ongoing exercise of the socio-economic and caste Census could be used for this purpose. It is recommended that community-based verification of this list at the local level takes place to promote community involvement and transparency.

Urban Solid Waste Management

Tamil Nadu has been a pioneer in solid waste management in the 1990s when Chennai Corporation was the first large municipal corporation to implement PPP for SWM and cities like Pammal and Nammakkal achieving 100 percent Door-to-door collection and source segregation. Given the pollution and environmental implications and potential to show transformational changes in a short while (for instance, SWM requires least capital investment per capita among urban services to improve service levels), there is a need for a significant push in terms of implementation of initiatives during the Twelfth Five Year Plan.

• Efforts relating to processing and safe disposal of waste have been negligible.
Box 7.2.6: Flag Ship Schemes for Urban Development

1. JnNURM-II: Must provide, in addition to enhanced funding, greater technical support and upgradation of implementation capacity, particularly for waste water and solid waste management.

2. National Urban Poverty Alleviation Mission (NUPAM): Three sub-missions are envisaged under the umbrella of NUPAM. These are:
   - Rajiv Awas Yojana (RAY): To create slum-free cities by providing affordable housing to the urban poor through:
     - In-situ development through incremental upgradation and/or redevelopment of slums.
     - Creation of rental housing stock, as 30 percent of total affordable housing stock.
     - Provision of basic services of water and sanitation.
     - Access to financing through a Credit Mortgage Guarantee Fund.
   - To be implemented in cities having population of more than 5 Lakhs.
   - Slum and Shelter Improvement Scheme for Small and Medium Towns (SSISSMT) - to be implemented in all cities other than cities in which RAY is being implemented.
   - The scheme will be largely in the nature of in-situ incremental improvement of slum
   - The scheme to have separate funding option for cities of different sizes.

   - National Urban Livelihood Mission (NULP): The existing SJSRY scheme is proposed to be re-launched as NULP with the following guiding principles:
     - Build skills that are relevant to sectors with growing employment opportunities as well as to local socio-economic conditions
     - Collaborate with public and private vocational training institutions to skill the urban poor
     - Address the issues of financial, policy and legal exclusion
     - Facilitate systematic access to raw materials and markets
     - Identify and leverage synergies with work being done by National Skills Development Corporation (NSDC) in this area
     - Create new financial products and services to cater to the needs of self-employed and micro-enterprise constituencies.

   The Tamil Nadu Urban Livelihood Mission will be launched in 2012-2013.

3. National Mission on Capacity Building for Urban Development: Insufficient capacity and capability at the state and ULB level have been identified as key challenges in re-vitalising the urban sector.

Source: UPC-Steering Committee report on Urban Development for the Twelfth Five Year Plan
Even though there have been some positive developments such as the development of integrated SWM in Coimbatore (with Transfer stations and Landfill site already commissioned under JnNURM) and collection efforts have improved in most ULBs, compliance to SWM Rule 2000 laid down by Hon’ble Supreme Court is yet to be fully achieved.

- The Government will soon announce an Integrated Solid Waste Management Policy.
- All urban local bodies will practice source segregation of solid waste into degradable and non-degradable components in a phased manner.
- Though initiatives on Regional landfills and integrated SWM for cities have been undertaken, pace of implementation has been slow. There has been inordinate delays in terms of getting clearances from State Pollution Control Board as these projects are coming up for review for the first time to the PCB.
- The overall goal of urban solid waste management is to collect, treat and dispose of solid wastes generated by all urban population groups in an environmentally and socially satisfactory manner using the most economical means available. As cities grow economically, business activity and consumption patterns drive up solid waste quantities. At the same time, increased traffic congestion adversely affects the productivity of the solid waste fleet. Productivity loss is exacerbated by longer hauls required of the fleet, as open lands for disposal are further and further away from urban centres.

### Table 7.2.5: Targets and achievements during the Eleventh Five Year Plan

<table>
<thead>
<tr>
<th>SOLID WASTE MANAGEMENT</th>
<th>Municipalities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Sweeping</td>
<td>State Target</td>
<td>Achieved</td>
<td></td>
</tr>
<tr>
<td>Segregation at source</td>
<td>Nil</td>
<td>28 percent</td>
<td></td>
</tr>
<tr>
<td>Door to Door Collection</td>
<td>Nil</td>
<td>67 percent</td>
<td></td>
</tr>
<tr>
<td>Manual Handling</td>
<td>100 percent</td>
<td>38 percent</td>
<td></td>
</tr>
<tr>
<td>Transportation of waste in closed container</td>
<td>32 percent</td>
<td>86 percent</td>
<td></td>
</tr>
<tr>
<td>Processing of Waste</td>
<td>Nil</td>
<td>10 percent</td>
<td></td>
</tr>
<tr>
<td>Scientific Disposal</td>
<td>Nil</td>
<td>2 percent</td>
<td></td>
</tr>
</tbody>
</table>
Box 7.2.7: Zero Waste Management (ZWM)

Current linear resource flow uses huge amounts of raw materials and generates huge amounts of waste. This will lead the society to resource depletion. ZWM is about redesigning this resource flow so that most of what is generated as waste can be reused as raw material for further production. This resource flow is more sustainable and will take closer to ‘zero waste’ to be disposed of. ZWM involves action both before and after production.

**Pre-production Actions:**
Reducing Production (consumption): Producing and consuming only as much as needed. Redesigning Production processes: Producing using cleaner processes and packaging using less material. Production of safe and recyclable materials: Avoiding the use of toxic and non-recyclable materials, so that maximum resource can be recovered with least harm to the environment.

**Post-production Action or Reuse:** What is produced should be reused as many times as possible. eg: bottles, containers, bags, etc. Recycle: Recycling those materials that cannot be reused. Eg. Organic waste into compost, PET bottles into polyester fibres, glass bottles into glass panes, cotton rags into paper, etc.

Source: www.Zerowastemanagement.org

In the above concept and in view of the inherent biodegradable characteristics of vegetables, fruits and flower wastes from Koyambedu market, Chennai, a pilot project shall be developed for “Waste to bio-energy generation and manure production.”

The challenge is to rationalize worker and vehicle performance, while expanding services to a growing urban population. The initiatives required in solid waste management sector for a phased implementation in the Twelfth Five Year Plan is given below.
Service Goals

Chennai Metropolitan Area

- Compliance with SWM Rules 2000 in all areas within Chennai UA by 2017.
- Implementation of door-to-door collection and source segregation in all areas within Chennai UA by 2017.
- Renewal of Kodungaiyur and Perungudi along with operational waste processing / landfill facilities by 2015.
- Creation of two integrated waste processing and landfill sites by 2017.
- Mandating localized bio-degradable waste processing in all existing and new apartment complexes by 2013 as part of building guidelines and rules on the lines of rainwater harvesting guidelines introduced for Chennai city.

Rest of Tamil Nadu

There are 10 Municipal Corporations, 125 Municipalities and 529 Town Panchayats in the State other than the Chennai UA. There are 32 ULBs (other than Chennai) and 24 Urban Agglomerations (other than Chennai) that have a population of more than one lakh. The 24 Urban Agglomerations account for 33 percent of the urban population.

- Compliance with SWM Rules 2000 in all urban areas in the State by 2017 including city level implementation of door-to-door collection and source segregation in all urban areas in the state by 2017.
- Agglomeration based approach for creation and operationalization of waste processing and landfill facilities on a regional basis in all urban areas by 2017.
- Mandating localized bio-degradable waste processing in all existing and new apartment complexes by 2013 as part of building guidelines and rules on the lines of rainwater harvesting guidelines introduced in larger Urban Agglomerations.

Urban Roads and Drains

A ‘build-neglect-re-build’ syndrome continues to plague creation of urban road and storm drain assets. Urban roads and drains continue to be built without adequate rigor in planning and as a result, road and drain assets become rendered unusable often within months in most cases. Lack of clear standards for aspects relating to urban roads and road accessories (ducting/integration with other utilities, landscaping, integration with storm drains, urban forestry, road medians, bus shelters) leads to inefficient service delivery and additional expenditure.

Fig. 7.2.8: Storm water drain works carried out by Corporation of Chennai
In terms of reported coverage of surfaced roads, ULBs in Tamil Nadu score well. Similarly, performance on provision of streetlights has been reasonably satisfactory. While there been efforts to create innovative approaches to deal with urban roads in an integrated manner as envisaged under the Tamil Nadu Urban Road Infrastructure Fund (TURIF), the pace of implementation has been slow.

Service delivery performance has improved significantly yet gaps remain provides a snapshot of the reported targets and achievements during the Eleventh Five Year Plan.

Table 7.2.6: Targets and Achievements during the Eleventh Five Year Plan

<table>
<thead>
<tr>
<th>Municipalities</th>
<th>Corporations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads, Storm Drains and Street Lights</td>
<td>Roads, Storm Drains and Street Lights</td>
</tr>
<tr>
<td>Surfed Roads (BT + CC - as percent of Total)</td>
<td>&gt;60</td>
</tr>
<tr>
<td>Storm Water Drains (percent of Road length)</td>
<td>25 percent</td>
</tr>
<tr>
<td>Street Lights (Distance between Poles mts)</td>
<td>30M</td>
</tr>
</tbody>
</table>

Challenges for the Twelfth five year Plan

- Even in large cities, there is a need for integrated planning of urban road development (particularly arterial roads and bus routes). Public transport measures have led to a significant shift from public transport use to individual modes that is creating challenges in the form of road congestion and parking bottlenecks. Weak regulation of para-transit transport infrastructure covering auto-rickshaws (individual and shared) and cabs have led to a further decline in use of public transport.
Twelfth Five Year Plan Tamil Nadu

- Focus on developing and implementing specific standards in road construction and enforcement emphasises longevity and maintenance. Standardisation of name boards, signage and colour schemes are other requirements to be dealt with.

- A greater focus on parking policy and regulation, provision of road amenities and urban forestry and landscaping is necessary.

- Storm drain networks are often developed on a piece meal basis without city wide planning, integration with main drains and plan for maintenance and hence are often ineffective in tackling floods.

**Recommendations for the Twelfth Five Year Plan**

*Formulate a standards manual for integrated development of roads and storm drains to facilitate*

- A permanent sustainable asset creation with 100 percent coverage of surfaced roads taking into account traffic management considerations

- Designs based on scientific assessment of needs

- Comprehensive development of road assets (including ducting for managing utilities, green cover, side-walks, street lights etc.)

- Sustainable contracting structures which impose maintenance obligations (say, for a period of 5 years or so) along with construction to ensure durability of assets created and efficient maintenance.

- GIS mapping of the assets created under the project

It is proposed to initiate a couple of pilot projects on arterial road networks in Chennai city to fine-tune the standards developed and scale-up implementation to cover road and drain development in all urban areas on these lines. The Government shall aim to move to an integrated planned implementation of urban arterial roads and road arteries in this manner within the next five years.

**Table 7.2.7 : Outlay for the Twelfth Five Year Plan - Urban Development**

<table>
<thead>
<tr>
<th>S. No</th>
<th>Programmes</th>
<th>GOTN</th>
<th>GOI</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Chennai Metropolitan Area</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Chennai Metropolitan Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Authority</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Works under TNUDP III</td>
<td>54.29</td>
<td></td>
<td></td>
<td>54.29</td>
</tr>
<tr>
<td>2.</td>
<td>MRTS</td>
<td>225.00</td>
<td></td>
<td></td>
<td>225.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>279.29</strong></td>
<td></td>
<td></td>
<td><strong>279.29</strong></td>
</tr>
<tr>
<td>B</td>
<td>Corporation of Chennai</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Roads</td>
<td>890.00</td>
<td>3060.00</td>
<td></td>
<td>3950.00</td>
</tr>
<tr>
<td>2.</td>
<td>Storm Water drains/ Culverts</td>
<td>390.00</td>
<td>210.00</td>
<td>1140.00</td>
<td>1740.00</td>
</tr>
<tr>
<td>3.</td>
<td>Street lights</td>
<td>50.00</td>
<td></td>
<td>215.00</td>
<td>265.00</td>
</tr>
<tr>
<td>4.</td>
<td>Bridges</td>
<td></td>
<td>190.00</td>
<td></td>
<td>190.00</td>
</tr>
<tr>
<td>5.</td>
<td>School Building</td>
<td></td>
<td>174.00</td>
<td></td>
<td>174.00</td>
</tr>
</tbody>
</table>
### Table 7.2.7: Outlay for the Twelfth Plan - Urban Development (Contd.)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Programmes</th>
<th>GOTN</th>
<th>GOI</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>Sanitation Services</td>
<td></td>
<td></td>
<td>171.00</td>
<td>171.00</td>
</tr>
<tr>
<td>7.</td>
<td>Others</td>
<td></td>
<td></td>
<td>649.00</td>
<td>649.00</td>
</tr>
<tr>
<td>8.</td>
<td>Metro Rail project (State share)</td>
<td>1383.88</td>
<td>2685.21</td>
<td>8076.12</td>
<td>12145.21</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>2713.88</strong></td>
<td><strong>2895.21</strong></td>
<td><strong>13675.12</strong></td>
<td><strong>19284.21</strong></td>
</tr>
<tr>
<td>II</td>
<td>Other Corporations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Storm Water drains</td>
<td>950.80</td>
<td>1726.20</td>
<td>2877.00</td>
<td>5554.00</td>
</tr>
<tr>
<td>2.</td>
<td>Roads</td>
<td>694.60</td>
<td>1191.90</td>
<td>1986.50</td>
<td>3873.00</td>
</tr>
<tr>
<td>3.</td>
<td>Street lights</td>
<td>38.00</td>
<td>57.00</td>
<td>95.00</td>
<td>190.00</td>
</tr>
<tr>
<td>4.</td>
<td>Solid Waste Management</td>
<td>124.00</td>
<td>186.00</td>
<td>310.00</td>
<td>620.00</td>
</tr>
<tr>
<td>5.</td>
<td>Others</td>
<td>352.00</td>
<td>528.00</td>
<td>880.00</td>
<td>1760.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>2159.40</strong></td>
<td><strong>3689.10</strong></td>
<td><strong>6148.50</strong></td>
<td><strong>11997.00</strong></td>
</tr>
<tr>
<td>III</td>
<td>Municipalities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Storm Water drains</td>
<td>244.20</td>
<td>366.30</td>
<td>610.50</td>
<td>1221.00</td>
</tr>
<tr>
<td>2.</td>
<td>Roads</td>
<td>352.20</td>
<td>678.30</td>
<td>1130.50</td>
<td>2161.00</td>
</tr>
<tr>
<td>3.</td>
<td>Street lights</td>
<td>31.80</td>
<td>47.70</td>
<td>79.50</td>
<td>159.00</td>
</tr>
<tr>
<td>4.</td>
<td>Solid Waste Management</td>
<td>115.40</td>
<td>173.10</td>
<td>288.50</td>
<td>577.00</td>
</tr>
<tr>
<td>5.</td>
<td>Others</td>
<td>185.00</td>
<td>277.50</td>
<td>462.50</td>
<td>925.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>928.60</strong></td>
<td><strong>1542.90</strong></td>
<td><strong>2571.50</strong></td>
<td><strong>5043.00</strong></td>
</tr>
<tr>
<td>IV</td>
<td>Town Panchayat</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Roads</td>
<td>1091.66</td>
<td></td>
<td></td>
<td>1091.66</td>
</tr>
<tr>
<td>2.</td>
<td>Storm Water drains</td>
<td>570.64</td>
<td></td>
<td></td>
<td>570.64</td>
</tr>
<tr>
<td>3.</td>
<td>Water Supply</td>
<td>105.32</td>
<td>100.00</td>
<td></td>
<td>205.32</td>
</tr>
<tr>
<td>4.</td>
<td>Solid Waste Management</td>
<td>66.96</td>
<td></td>
<td></td>
<td>66.96</td>
</tr>
<tr>
<td>5.</td>
<td>Others (Streetlight, Culvert, Parks &amp; Play, Fields etc.,)</td>
<td>1257.30</td>
<td></td>
<td></td>
<td>1257.30</td>
</tr>
<tr>
<td>6.</td>
<td>UGSS</td>
<td>1210.00</td>
<td>9743.72</td>
<td>1356.48</td>
<td>12310.20</td>
</tr>
<tr>
<td>7.</td>
<td>Public Health Prevention of open defecation</td>
<td>49.72</td>
<td></td>
<td></td>
<td>49.72</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>4351.60</strong></td>
<td><strong>9843.72</strong></td>
<td><strong>1356.48</strong></td>
<td><strong>15551.80</strong></td>
</tr>
<tr>
<td>V</td>
<td>Urban Poverty Alleviation programme</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1000.00</td>
<td></td>
<td></td>
<td>1000.00</td>
</tr>
<tr>
<td>VI</td>
<td>On-going Schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Chennai Mega City Development Mission</td>
<td>500.00</td>
<td></td>
<td></td>
<td>500.00</td>
</tr>
<tr>
<td>2.</td>
<td>Integrated Urban Development Mission</td>
<td>750.00</td>
<td></td>
<td></td>
<td>750.00</td>
</tr>
<tr>
<td>3.</td>
<td>Soil and water conservation under HADP-Ongoing schemes</td>
<td>2.25</td>
<td></td>
<td></td>
<td>2.25</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1252.25</strong></td>
<td></td>
<td></td>
<td><strong>1252.25</strong></td>
</tr>
<tr>
<td></td>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>12,685.02</strong></td>
<td><strong>17,970.93</strong></td>
<td><strong>23,751.60</strong></td>
<td><strong>54,407.55</strong></td>
</tr>
</tbody>
</table>
ANNEXURE: 7.2.1 Way forward to implementation of Twelfth Five Year Plan in Urban Development Sector:

Institutional context

For the purpose of a better understanding of the administrative units and size, the urban service requirements have been delineated by the formation of two different missions under the 12th Five Year Plan, viz., the Chennai Mega City Development Mission for Chennai and its suburban areas and the Integrated Urban Development Mission for other Statutory Towns. The institutional context differs with these units, which are tabulated as follows:

<table>
<thead>
<tr>
<th>Chennai and Its Agglomerations</th>
<th>Rest of Tamil Nadu</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Municipal Administration &amp; Water Supply Department (MAWS) is the nodal department for municipal administration and provision of water supply to urban areas in Tamil Nadu.</td>
<td>1. The Municipal Administration &amp; Water Supply Department (MAWS) is the nodal department for municipal administration and provision of water supply to urban areas in Tamil Nadu.</td>
</tr>
<tr>
<td>• The Corporation of Chennai is the municipal body having local jurisdiction over Chennai. Its limits have been recently expanded to cover 426 sq. km.</td>
<td>• The Commissionerate of Municipal Administration (CMA) is the nodal state agency for Urban Local Bodies (ULBs), other than Chennai Corporation.</td>
</tr>
<tr>
<td>• The Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) is responsible for the provision of Water Supply and Underground Sewerage in Chennai Metropolitan Area.</td>
<td>• The Directorate of Town Panchayats (DTP) is the nodal state agency for Town Panchayats.</td>
</tr>
<tr>
<td>• The Tamil Nadu Urban Infrastructure and Financial Services Limited (TNUIFSL) and Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) are urban financial intermediaries providing access to financing through capital markets, lines of credit from external agencies and schemes of Government of India and Government of Tamil Nadu.</td>
<td>• The Tamil Nadu Water Supply Drainage Board (TWAD Board) is responsible for the provision of Water Supply and Underground Sewerage in rest of the State.</td>
</tr>
<tr>
<td>• The Tamil Nadu Urban Infrastructure and Financial Services Limited (TNUIFSL) and Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) are urban financial intermediaries providing access to financing through capital markets, lines of credit from external agencies and schemes of Government of India and Government of Tamil Nadu.</td>
<td>• The Tamil Nadu Urban Infrastructure and Financial Services Limited (TNUIFSL) and Tamil Nadu Urban Finance and Infrastructure Development Corporation Limited (TUFIDCO) are urban financial intermediaries providing access to financing through capital markets, lines of credit from external agencies and schemes of GoI and GoTN.</td>
</tr>
</tbody>
</table>
### Chennai and Its Agglomerations

2. The Housing and Urban Development Department (HUD) holds responsibility for Urban Planning and Housing functions. The HUD is responsible for various planning activities including preparation of Master Plans and Regional Plans and also for provision of Housing facilities.

- The Chennai Metropolitan Development Authority is responsible for master planning within and infrastructure development in the Chennai Metropolitan Area.

- The Tamil Nadu Housing Board has been formed in the year 1961 with the objective of providing housing for all.

- The Tamil Nadu Slum Clearance Board has been formed to implement schemes for ameliorating the living conditions of urban poor.

3. The Transport Department is the nodal department for managing State Transport Undertakings that provides city and inter-city bus services. It is also the nodal agencies for other urban transport initiatives including Metro Rail, Mono-rail etc.

### Rest of Tamil Nadu

2. The Housing and Urban Development Department (HUD) holds responsibility for Urban Planning and Housing functions. The HUD is responsible for various planning activities including preparation of Master Plans and Regional Plans and also for initiatives relating to provision of Housing facilities.

- The Department of Town and Country Planning (DTCP) is responsible for preparation of master plans for urban areas other than the Chennai Metropolitan Area.

- The Tamil Nadu Housing Board has been formed in the year 1961 with the objective of providing housing for all.

- The Tamil Nadu Slum Clearance Board has been formed to implement schemes for ameliorating the living conditions of urban poor.

3. The Transport Department is the nodal department for managing State Transport Undertakings that provides city and inter-city bus services. It is also the nodal agencies for other urban transport initiatives including Metro Rail, Mono-rail etc.

*Source: Working Group Report on Urban Development – Tamil Nadu*
### ANNEXURE: 7.2.2 Administrative reforms, Capacity Building and training interventions

#### Status of reforms – State level

<table>
<thead>
<tr>
<th>Reform</th>
<th>Achieved</th>
<th>Remarks</th>
</tr>
</thead>
</table>
| 74th Constitutional Amendment Act   | Yes      | • Out of 18 functions, 17 functions already been transferred except fire services. (10 fully transferred and 7 partly transferred). A high-level committee constituted under the Chairmanship of Hon’ble Minister of RD&LA for devolution of powers to ULBs. The recommendations were already implemented by GoTN. DPC election held in April ‘2007. Constitution of MPC in the state has been introduced in the TN Legislative Assembly on 21.7.2009. TN Govt. Gazette Notification issued vide no.211, dated, 17.8.2009. This is applicable to mission cities of Madurai & Coimbatore as well.  
• The Draft TN MPC Rules has been prepared. The conduct of election to MPCs to be finalised. |
| Assigning ULB City Planning functions | Yes      | • ULBs integrated with City Planning functions. Most of the service deliveries functions were transferred to ULBs.  
• Development plan of the towns were placed before the DPC & to be placed before the proposed MPC. Commissioner represents the interests of the local body in Chennai Metropolitan Development Authority (CMDA) and is one of the Board of Directors of CMWSSB. |
| Repeal of Urban Land Ceiling Act    | Yes      | • Already implemented. Tamil Nadu Land Ceiling and Regulation, 1978 has been repealed by the Tamil Nadu Act of 20 of 1999. Consequent to the repeal of ULCRA about 1900 ha. of land has been released. |
| Enactment of Public Disclosure Law   | Yes      | • For Rules & Regulations on PDL notifications orders issued vide TN Government Gazette, dated, June 9th, 2009, which has come into force from 1st September’2009 |
### ANNEXURE: 7.2.2 Administrative reforms, Capacity Building and training interventions (Contd.)

<table>
<thead>
<tr>
<th>Reform</th>
<th>Achieved</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent control</td>
<td>Yes</td>
<td>• Only 52 properties come under this Act &amp; 15 cases are pending in the court. The Tamil Nadu Buildings (Lease &amp; Rent Control) Act, 1960 as amended by the TN Act 23 of 1973 comprises of regulation of letting of Accommodation, control of rents &amp; prevention of unreasonable eviction. The present Act takes care of the interest of both the property owners &amp; tenants. Also based on the request from the Government, Dr. Ambedkar Law University has taken up the investigative research study on the existing rent control legislation of Tamil Nadu &amp; related acts at National &amp; State level. It is under way.</td>
</tr>
<tr>
<td>Reduction in Stamp duty to 5%</td>
<td>No</td>
<td>• Already GoTN has reduced Stamp Duty from 13% to 8%. Out of this 8%, 6% is the Stamp duty &amp; 2% is the surcharge on Stamp duty. The 2% surcharge on Stamp Duty is being collected and passed on to the ULBs, which is utilized for activities of the Local bodies. During 2007-2008 ₹186.66 crore, 2008-2009 ₹203.18 crore, &amp; 2009-2010, ₹240.17 crore have been collected towards surcharge &amp; credited to concern ULBs.</td>
</tr>
<tr>
<td>Enactment of Community Participation Law</td>
<td>Yes</td>
<td>• TN Municipal Laws (Amendment) Bill, 2010 has been passed in the Legislative Assembly and the assent of the Governor received on the 26th November 2010. It was published in the TN Government Gazette vide no.363 of November 29th, 2010. Preparation of the rules under this act is in progress.</td>
</tr>
</tbody>
</table>
**ANNEXURE: 7.2.2 Administrative reforms, Capacity Building and training interventions (Contd.)**

## Status of reforms – Local Level

<table>
<thead>
<tr>
<th>Reform</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Accounting</td>
<td>Under the implementation of this reform almost all the ULBs were achieved the Double entry system of Accounting. Most of the ULBs published the status of the audited accounts completed. Outcome budget and instituting internal audit mechanism introduced in the ULBs.</td>
</tr>
<tr>
<td>Property Tax Reforms</td>
<td>As directed in the reform, most of the ULBs have achieved Coverage (85%) &amp; Collection (90%) ratio. Arrear collection also brought down to less than or equal to 10% of current demand for previous year.</td>
</tr>
<tr>
<td>User Charges</td>
<td>As mentioned in the reform, many ULBs have achieved full recovery of O&amp;M costs from User Charges on Water supply/ UGS/ SWM. Also for Metering system, Non-Revenue Water, unaccounted for water, water audit, leakage detection studies, etc., ULBs taken steps to adopt these system.</td>
</tr>
<tr>
<td>Internal Earmarking of funds to Urban Poor</td>
<td>As mentioned in the reform, many ULBs have allocated 25% earmarking to their municipal budget shown as separate head on delivery of services to UP on the total ULB revenue. Also book the expenditure on delivery of services to UP in their budget.</td>
</tr>
<tr>
<td>Implementation of E-Governance</td>
<td>As mentioned in the reform, many ULBs have completed the online workflow/citizen interface &amp; completed many modules like property tax, birth &amp; death registration, building plan approval, citizen grievance monitoring, etc. Completions of other modules are also under progress.</td>
</tr>
<tr>
<td>Provision of Basic Services to Urban Poor</td>
<td>As mentioned in the reform, many ULBs have already provided all basic services to the UP, i.e., Water Supply, Sanitation, Road facility, Street light etc. Steps are being taken to extend other basic services such as primary health care, primary education, support for livelihoods.</td>
</tr>
</tbody>
</table>

*Source: Working Group Report on Urban Development – Tamil Nadu*