

An Introduction to LOCAL SELF GOVERNMENTS IN KERALA

Mariamamma Sanu George (Nirmala)



SDC
CapDecK

CAPACITY DEVELOPMENT FOR
DECENTRALISATION IN KERALA

**An Introduction to
LOCAL SELF GOVERNMENTS IN KERALA**

Compiled by
Mariamamma Sanu George (Nirmala)

First Edition
September 2007

Published by

**SDC
CapDeck**

A Programme on Capacity Development for Decentralisation in Kerala
Swiss Agency for Development and Cooperation

Sona Buildings, Pattom
Thiruvananthapuram 695004
Kerala, India

Phone: 91 471 2543392

Fax: 91 471 2543391

E mail: capdeck@asianetindia.com
nirmala_sg@hotmail.com

Cover Design
Shamnad Rasool

Book Design and Production
Wordpecker
wordpeckerkerala@gmail.com

Content

Why this book?	5
Indian Scenario	7
Kerala Scenario	13
Local Plans	53
Capacity Building	69
CapDeckK	77
For further reading	83
For further information	84
Acknowledgement	86

Why this book?

People from various places visit Kerala to learn about the democratic decentralisation process shaping up in the State. They include academicians, researchers, development practitioners, policy makers, elected representatives, students and activists. As a unit supporting the capacity development activities of the decentralisation process in the State, the SDC-CapDeck Programme Coordination Unit has also been a stop over for many. During such interactions with these enthusiastic learners that I understood the need for a brief introductory outline on the decentralisation process in the State.

The book is intended to give an overall view of the local government system in the State and various interventions to strengthen the process of democratic decentralisation. It does not give the reader any in depth understanding nor analysis on the theme. Probably, it could be used as an introduction to further reading and learning. Thus, I have also included some hints to the readers on how to go forward, whom to be contacted and what are the useful reference materials.

Though the local government system in the State as a whole is discussed, the focus is more on the rural local governments, especially the Gram Panchayats. It is naturally so, as the decentralisation process in Kerala had given thrust on the rural local governments.

Finally, the book also introduces in brief the various capacity building efforts undertaken as part of the SDC supported CapDeck Programme.

The Indian Scenario

India – From a Two tier to Three tier Federation

The 73rd and 74th Amendments to the Constitution of India laid the way for a paradigm shift in the governance system of the country. From a two-tier system of the National and State governments, a new tier was introduced which could be broadly called local government.

The major guiding principles followed in this shift were

- Autonomy
- Powers to take decisions in matters transferred to local governments
- Devolution of functions, finance and functionaries.

The major objectives of these amendments include

- Ensuring social justice and
- Local economic development

Salient Features of the Constitutional Amendments

- ♦ Every State shall have Panchayats in rural areas and Municipalities in urban areas.
- ♦ A three-tier system for States having population over two million/ 20 lakhs.
- ♦ For others, a two-tier system with no intermediate tier.
- ♦ Panchayats and Municipalities are established as institutions of self-government.
- ♦ There is reservation of seats – not less than one-third seats for women while for scheduled caste and tribes, proportional to their population.
- ♦ The term of office for the elected representatives of these local governments is five years.
- ♦ The local governments are also to prepare local area development plans.
- ♦ Resources to the local governments may come from own resources generated by them like from taxes, duties, tolls, fees, rent, user charges, taxes collected by the state and a part of which assigned to or shared with the local governments, specific purpose grants from the State and Central governments, untied grants, borrowing, donations and gifts. These are to be decided by the State governments based on the recommendations of a mandatory State Finance Commission.
- ♦ Each district has a District Planning Committee (DPC), which prepares a development plan for the district consolidating the urban and rural local plans and higher tier plans.
- ♦ Village assemblies' alias Gram Sabhas with all adult citizens as members are established in every local government.
- ♦ States are mandated to confer power and responsibilities to these Gram Sabhas.
- ♦ The State governments shall constitute independent State Election Commissions.
- ♦ 29 subjects are transferred to the local governments; the details of which have to be defined by the State governments.

Subjects Transferred To Rural Local Governments

(As per the Eleventh Schedule of Article 243 G of 73rd Amendment to the Indian Constitution)

01. Agriculture including agricultural extension
02. Land improvement, implementation of land reforms, land consolidation and soil conservation
03. Minor irrigation, water management and watershed development
04. Animal husbandry, dairy and poultry
05. Fisheries
06. Social forestry and farm forestry
07. Minor forest production
08. Small-scale industries, including food-processing industries
09. Khadi, village and cottage industries
10. Rural housing
11. Drinking water
12. Fuel and fodder
13. Roads, culverts, bridges, ferries, waterways and other means of communication
14. Rural electrification, including distribution of electricity
15. Non-conventional energy sources
16. Poverty alleviation programmes
17. Education including primary and secondary school
18. Technical training and vocational education
19. Adult and non-formal education
20. Libraries
21. Cultural activities
22. Market and fairs
23. Health and sanitation
24. Family welfare
25. Women and child development
26. Social welfare, including welfare of the handicapped and mentally retarded
27. Welfare of the weaker sections, and in particular, of the Scheduled Caste and Scheduled Tribes
28. Public distribution system
29. Maintenance of community assets

Subjects transferred to Urban Local Governments

(As per the Twelfth Schedule of the Constitution)

01. Urban planning including town planning.
02. Regulation of land-use and construction of buildings.
03. Planning for economic and social development.
04. Roads and bridges.
05. Water supply for domestic, industrial and commercial purposes.
06. Public health, sanitation conservancy and solid waste management.
07. Fire services.
08. Urban forestry, protection of the environment and promotion of ecological aspects.
09. Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded.
10. Slum improvement and up gradation.
11. Urban poverty alleviation.
12. Provision of urban amenities and facilities such as parks, gardens, playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burial grounds; cremations, cremation grounds and electric crematoriums.
15. Cattle pounds; prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
17. Public amenities including street lighting, parking lots, bus stops and public conveniences.
18. Regulation of slaughterhouses and tanneries.

For more details on the status of local governance in India:

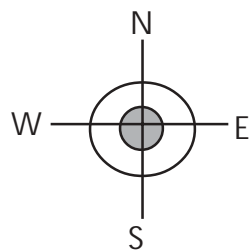
Contact: Ministry of Panchayati Raj, Government of India, New Delhi

Refer: Status of Panchayati Raj in the States and Union Territories of India, 2000, Dr. George Mathew, Concept Publishing for Institute of Social Sciences, New Delhi

Browse: www.panchayat.gov.in/ www.issin.org

The Kerala Scenario

Where We Are



- DISTRICT HEADQUARTERS
- ◆ STATE CAPITAL



NOT TO SCALE

The Kerala Profile

Area	Source	Kerala	India
Population (Million)	2001 Census	31.841	1020.70
Population Male (Million)	2001 Census	15.469	530.13
Population Female (Million)	2001 Census	16.372	490.57
Population Scheduled Caste (Million)	2001 Census	3.124	166.6
Population Scheduled Tribe (Million)	2001 Census	0.364	836
Density of population (persons per Sq.Km)	2001 Census	819	324
Sex ratio (F:M)	2001 Census	1058	933
Crude death rate (per 1000 population)	2007 Economic Review	6.40	7.6
Crude birth rate (per 1000 population)	2007 Economic Review	15.00	23.8
Infant mortality rate (per 1000 population)	NFHS-3 2005-2006	15.3	57
Maternal mortality rate (per lakh/line birth)	NFHS-3 2005-2006	110	300
Life expectancy at birth	NFHS-3 2005-2006	73.45	62.70
Literacy rate (%)	2001 Census	90.92	65.38
Literacy rate- Male (%)	2001 Census	94.20	75.85
Literacy rate- Female (%)	2001 Census	87.86	54.16
Human Poverty Index ¹	2001	15.0	36.7
Human Development Index ²	2001	0.638	0.451
Per capita income at current price	2004-05	INR 27,048	INR 12,414
Major crops	Paddy, Rubber, Tapioca, Banana, Coconut, Black pepper, Cardamom		
Major industries	Information technology, tourism, agro based business, readymade garments, Ayurvedic, medicines, mining, marine products, rubber based industries		

Source: Economic Review 2007, Kerala State Planning Board

¹ Using UNDP methodology –Index of survival deprivation, deprivation of education and deprivation in economic provisioning with respect to safe water, health services and under-nourished children)

² Index of life expectancy, educational attainment and income.

History of Decentralisation in Kerala

The development of Kerala has not been uniform across the State since some parts of the State were under Princely rule and the rest under the British province of Madras. The areas under Princely rule had not instituted Panchayats akin to the modern Panchayat until India became independent.

Until 1995, Kerala had only a single tier Village Panchayat and lagged behind most other states in the implementation of Panchayati Raj. The only notable phase before the 73rd Amendment was the District Council experiment of 1991, prompted by the Kerala District Administration Act. This experiment could not survive the regime change at the State level.

After the 73rd and 74th amendments to the Constitution of India the subsequent Kerala State Acts were passed in 1994, following which the first elections to the local self-governments were held in 1995.

In August 1996, the Kerala State Planning Board was entrusted with the task of spearheading a 'campaign' for decentralised planning, under the leadership of the Ministry of Local Self Governments. The 'campaign' was aimed at making the Ninth Five-Year Plan of the State of Kerala a 'people's plan'. It was launched with an announcement that 35-40% of the total plan (development) funds of the State would be devolved to the local governments to be spent by them on the basis of the priorities drawn by them. The 'campaign' hoped that as the plan process moved forward, the institutional, legal and procedural bottlenecks to effective decentralisation of power would be removed as and when they arise.

Along with this was the formation of a committee on Decentralisation of Powers under the chairmanship of Mr. S.B. Sen. This committee designed the institutionalisation of the decentralisation process in the State. Guided by eight principles of decentralisation - autonomy, subsidiarity, role clarity, complementarity, uniformity, people's participation, accountability and transparency, the Committee suggested clause by clause amendments for the existing laws, a scheme for redeployment of the staff, a system for improving the auditing of the accounts of local bodies and guidelines for revision of rules.

Chronology of Related Events -Kerala

1920	<i>Madras Village Panchayat Act</i>	
1950	<i>Travancore-Cochin Panchayat Act</i>	<i>Based on the Act the Panchayat Delimitation Committee was formed. The Committee recommended the formation of 542 panchayats.</i>
1958	<i>Kerala Panchayat Bill and</i>	<i>The two bills on decentralisation were introduced in the State the District Councils Bill Legislative Assembly. However, they could not be enacted and implemented as the Government was dismissed and the Legislative Assembly dissolved in 1959.</i>
1960	<i>The Kerala Panchayat Raj</i>	<i>The first Administrative Reforms Committee suggested decentralisation of a far-reaching nature as early as in 1958. The Act was passed codifying the Panchayat laws that were in force in Malabar- Travancore-Cochin regions.</i>
1963	<i>First Panchayat election</i>	<i>Based on 1960 Act, the first panchayat election in the state was held.</i>
1964	<i>Kerala Panchayat Union and Zilla Parishad Bill</i>	<i>The Government introduced the Bill but the government before the Bill could become Act.</i>
1967	<i>Kerala Panchayat Raj Bill</i>	<i>The government that succeeded introduced the Bill but it could not be passed due to the fall of the government.</i>
1971	<i>Kerala District Administration Bill</i>	<i>The Government of Kerala introduced the Bill but this too did not become a law.</i>

1978-1980	<i>Kerala District Administration Bill</i>	<i>Again the government introduced this Bill in the Legislative Assembly in 1978 and it became an Act in 1980.</i>
1991	<i>District Councils</i>	<i>After one decade, the government implemented the Act and the District Councils came into being. However, they could survive only for a short period.</i>
1994	<i>Kerala Panchayat Raj Act and Kerala Municipality Act</i>	<i>The Kerala Assembly passed the new Panchayat Raj Act and the Kerala Municipal Act.</i>
1995	<i>Elections</i>	<i>The first elections based on the constitutional amendments and the new Acts.</i>
1996-2002	<i>People's Plan Campaign</i>	<i>Local government level participatory planning process for preparation of the development plans under the Ninth Five Year Plan.</i>
1996	<i>Committee on Decentralisation (Sen Committee)</i>	<i>The committee was appointed to suggest the measures to be taken for institutionalisation of Powers (Sen Committee) of the decentralisation process.</i>
1999-2003	<i>Amendments to the Acts</i>	<i>Based on the recommendations of the Sen Committee, various Acts were restructured and restructuring to suit the decentralisation process.</i>
2002-2007	<i>Kerala Development Programme</i>	<i>The Tenth Five Year Plan was named as Kerala Development Programme.</i>
2007	<i>People's Plan Campaign</i>	<i>People's Plan Campaign was re-launched as part of the preparation of the Eleventh Five Year Plan.</i>

Principles of Decentralisation of Powers in Kerala

- 1 **Autonomy:** *The local self-governments are to be autonomous, functionally, financially, and administratively. The different tiers of local self-governments should be seen as complementary units rather than hierarchically organised.*
- 2 **Subsidiarity:** *It means that what can be done best at a particular level should be done at that level and not at higher levels. That entire can optimally done at the lowest level should be reserved to that level. Only the residual should be passed on to the higher levels.*
- 3 **Role Clarity:** *There should be clarity regarding the roles of each tier in the development process and clear division of functions between the tiers.*
- 4 **Complementarity:** *The functions of different tiers should not be overlapping, but should be complementary to each other.*
- 5 **Uniformity:** *There should be uniformity of norms and rules.*
- 6 **People's Participation:** *The functioning of the local self-government should be such that it facilitates maximum direct participation of people in the development process.*
- 7 **Accountability:** *The elected representative accountability is not to be confined to the periodic electoral verdicts. There should be continuous social auditing of the performance.*
- 8 **Transparency:** *People should have the right to information regarding every detail of the administration.*

The Approach on Decentralisation

The following quote from the approach on decentralisation prepared by the Committee on Decentralisation of Powers in Kerala is worth noting:

'Local self-government is essentially the empowerment of the people by giving them not only the voice, but the power of choice as well, in order to shape the development which they feel is appropriate to their situation. It implies maximum decentralisation of powers to enable the elected bodies to function as autonomous units with adequate power, authority and resources to discharge the basic responsibility of bringing about "economic development and social justice". It is not enough to formally transfer powers and responsibilities to the LSGIs. They have to be vested with the authority to exercise them fully which requires concordant changes not only in the appropriate rules, manuals, government orders and circulars governing development administration, but also in the conventions, practices and even, the value premises of the government agencies. Decentralisation does not mean just deconcentration where subordinate is allowed to act on behalf of the superior without a real transfer of authority, or delegation, where powers are formally conferred on a subordinate without any real transfer of authority. It implies devolution; where real power and authority are transferred to enable autonomous functioning within defined areas'.

Local Self Government System in Kerala

The State of Kerala has a total of 1224 local Self Government Institutions, including one cantonment board, excluded from the state government control.

Urban areas like towns and cities have Municipalities and Corporations respectively as the local government.

The District Panchayat, the district level local government, has jurisdiction over the rural areas of the district.

The rural area of each district is divided into Blocks with Block Panchayat as the local government unit.

There are 3 to 12 Block Panchayats in a district depending on the size and population.

Within the boundary of each Block exist the third tier of local governments known as Gram Panchayats.

Each Block may have 2 to 10 Gram Panchayats within their boundary.

There are no hierarchical relations within this system and so each one is autonomous from the other. They function in the framework of the principles of subsidiarity and role clarity.

Elections to these local governments take place every five years.

Each local government is divided into wards/constituencies and each of them elects their representative.

No.	Type of Local government	Level	Total numbers	Total number of elected representatives	Population range
1	Gram Panchayat	Rural Village	999	16139	4,588 to 78,343
2	Block Panchayat	Rural Intermediate	152	2004	
3	District Panchayat	Rural District	14	339	
4	Municipality	Urban Town	53	316	19,657 to 174,606
5	Corporation	Urban City	5	1756	3,17,474 to 7,44,739

Elections

At the local government level, the elected representatives elect the President, Vice President and Standing committee Chairpersons of the corresponding tier. The Gram Panchayat Presidents within the Block area are members of the Block Panchayat committee and have all the rights including voting rights of the Block Panchayat member except in elections and no confidence motions. In the case of the District Panchayat, all Block Panchayat Presidents within the district are its members with all the rights including voting rights except in elections and no confidence motions.

In the case of Municipalities, the former two are known as Chairperson and Vice Chairperson where as in the Corporations, Mayor and Deputy Mayor.

One third of all the memberships and presidentships in all the tiers of local governments are reserved for women. It is also stipulated that with a minimum of one seat in each local government, each of them should have seats reserved for scheduled castes and scheduled tribes in proportion to their population. Of this, one third of the seats go to the women from these communities. All these posts are reserved on a rotation basis for every five years.

The elections to Local Governments in Kerala are fought on political lines. Its features include; selection of suitable and 'winnable' candidates by political parties, active campaigns, intense media interest and high voter turnout.

Committees and Participatory Forums in Local Governments

Panchayat Committee

The Panchayat committee consists of all the members elected under provisions of the Panchayat Raj Act from the wards. This Committee would function as a body corporate known by the name of the “Panchayat”. In the towns, it is the Municipal Council and in cities, it is the Corporation Council.

Steering Committee

The steering committee consists of President, Vice President and Standing Committee Chairpersons with President as the Chairperson. The steering committee monitors and coordinates the activities of the standing committees.

Standing Committees

The Gram Panchayats and the Block Panchayats have three standing committees namely the Finance, Development and the Welfare standing committees. The District Panchayat and municipalities have. Corporations have Taxes and appeal, Town planning, Finance-Planning, Development, Public works, Health-education and the Welfare and Development standing committees. The members and the chairpersons to these committees are elected from among the members of the concerned local government itself.

Working Groups

The working group is a forum of experts in the formulation of the local plans. The local governments has to form 10 Working groups other than the one for Scheduled Tribe.

Ward Committees

The Ward Committee consists of the members from the concerned ward and those nominated from the locality by the Panchayat. The Committee studies and reports the specific needs of each ward. Ward member is the President of this Committee.

Committees and Participatory Forums in Local Governments

Sub Committees

The Sub Committees help in the implementation of projects or works of the Panchayat. This Committee consists of the Panchayat committee members and members nominated by the Panchayat.

Joint Committees

Joint Committees can be formed by the Panchayat for joint efforts with one or more local government institutions.

Gram Sabhas

A Gram Sabha is the village assembly where all citizens with voting rights in the area are members. Unlike the Gram Sabhas in other states of the country, a ward (sub unit of the Panchayat) is considered as a village and the assembly of voters in this area is the Gram Sabha. These Gram Sabhas are envisaged as platforms for participation of people in the process of decision-making, planning, implementation and resource mobilisation. The elected representative of the ward is the convenor of the Gram Sabha and each Gram Sabha is to meet at least once in three months. The required quorum is 10% of the voters in the ward.

As in the Gram Sabhas of the Panchayats, in Municipalities where the population is less than 1 lakh, there is provision for forming Ward Sabhas in each ward. The Gram Sabhas/Ward Sabhas have power to discuss budget, audit report, plan documents, estimate of public works etc..

URBAN FORUMS

Ward Committees

Where the population of the urban local government is more than 100,000, instead of the ward sabha, ward committees function. The elected councillor from the ward is the chairperson of this ward committee, which is to meet at least once in three months.

The members of the Ward committee include representatives of the registered organisations, neighbourhood groups, political parties, educational institutions, trade unions, nominated members, other stakeholder groups and nominated members.

Ward Sabha

In those urban local governments where the population is less than 100,000, the ward Sabha is mandatory in every ward. Ward Sabhas are assemblies of people, wherein all voters in the ward are members. The elected councillor of the ward is the convener. The Ward Sabha is to meet at least once in three months.

Responsibilities and Entitlements

The responsibilities of these Sabhas or Committees are development planning including prioritisation, beneficiary selection, ask for information, monitoring of the development plan and the monitoring of the implementation of the building rules.

They are entitled to seek the report of the services and work plan of officers for the next three months, detailed budget, follow up actions taken, and the details of town development plans and building permits.

Honorarium to elected representatives

Local Bodies	Elected Representatives	Honorarium (Rs)/month
Gram Panchayat	President	4200.00
	Vice President	3000.00
	Standing Committee Chairman	1800.00
	Members	1200.00
Block Panchayat	President	4800.00
	Vice President	3600.00
	Standing Committee Chairman	2100.00
	Members	1500.00
District Panchayat	President	5400.00
	Vice President	4200.00
	Standing Committee Chairman	2400.00
	Members	2100.00
Municipality	Chairman	4800.00
	Vice President	3600.00
	Standing Committee Chairman	2100.00
	Members	1500.00
Corporation	Mayor	5400.00
	Deputy Mayor	4200.00
	Standing Committee Chairman	2400.00
	Members	1800.00

Extent of Decentralisation – The Mandatory Functions

The functions of Gram Panchayats, Municipalities and Corporations are divided into three namely mandatory, general and sectoral functions. The Block and the District Panchayats do not have any mandatory functions.

Local bodies	Mandatory Functions
Gram Panchayat Municipalities Corporation	<ul style="list-style-type: none">• Public health• Public utilities• Protection of public property• Licenses and permits
Block Panchayat District Panchayat	Nil

Extent of Decentralisation - General Functions

Local Bodies	General Functions
Gram Panchayat	<ul style="list-style-type: none"> • Resource mobilisation • Gathering statistical data • Establishments of NHGs and SHGs • Relief operations • Building legal awareness...etc
Block Panchayat	<ul style="list-style-type: none"> • Technical assistance to Gram Panchayats • Utilise Government / Non Government expertise • Prepare projects and arrange backward and forward linkages
District Panchayat	<ul style="list-style-type: none"> • Technical assistance to Block Panchayats • Utilise Government / Non Government expertise • Prepare projects and arrange backward and forward linkages
Municipalities	
Corporation	

Extent of Decentralisation - Sectoral Development Functions

Local Bodies	Sectoral Development Functions
Gram Panchayat Schedule III of the Act [See Section 166]	<ol style="list-style-type: none">1. Agriculture2. Animal Husbandry and dairy development3. Minor irrigation4. Fisheries5. Social Forestry6. Small scale Industries7. Housing8. Water supply9. Electricity and Energy10. Education11. Public Works12. Public Health and Sanitation13. Social Welfare14. Poverty Alleviation15. Scheduled Caste / Scheduled Tribe Development16. Sports and Cultural Activities17. Public Distribution System18. Relief and Natural Calamities19. Cooperation
Block Panchayat Schedule IV of the Act [See Section 172]	<ol style="list-style-type: none">1. Agriculture2. Animal Husbandry and dairy development3. Minor irrigation4. Fisheries5. Small scale Industries

	6. Housing 7. Electricity and Energy 8. Education 9. Public Works 10. Public Health and Sanitation 11. Social Welfare 12. Poverty Alleviation 13. Scheduled Caste / Scheduled Tribe Development 14. Cooperation
District Panchayat Schedule V of the Act [See Section 173]	1. Agriculture 2. Animal Husbandry and dairy development 3. Minor irrigation 4. Fisheries 5. Small scale Industries 6. Housing 7. Water Supply 8. Electricity and Energy 9. Education 10. Public Works 11. Public Health and Sanitation 12. Social Welfare 13. Poverty Alleviation 14. Scheduled Caste / Scheduled Tribe Development 15. Sports and Cultural Affairs 16. Cooperation
Municipalities	
Corporation	

Extent of Decentralisation - The Finances

The basic principle adopted in Kerala is to devolve funds to match the functions. While devolving funds, the untied nature of funds along with predictability, certainty, fairness, equity, zero discretion and quality are important considerations.

The local governments know well in advance how much resources they are definitely going to have. This is achieved through the State Government budget wherein each local self-government's share is included in the state budget. This cannot be changed through an executive decision and hence the certainty and zero discretion.

The State follows a formula based devolution, which prevents patronage and leads to fairness and equity. The funds thus devolved are 'pure' or 'investible' thus ensuring the 'quality' of funds transferred.

Other noteworthy features of Kerala's financial devolution to local governments are listed below:

1. Gram Panchayats and urban local governments have the powers to collect taxes.
2. Around 90% of the plan funds is given in a practically untied form to the local governments to prepare their own schemes and implement them within certain broad policy framework, which stipulates that at least 40% of the funds (10% in urban areas) should be invested in productive sectors, not more than 30%(50% in urban areas) should be invested on roads and at least 10% should be earmarked as Women Component Plan. There is also upper limits for subsidies.
3. The entire plan grant is investible. It does not include any staff salaries or other administrative costs. They are paid separately.
4. All the plan grants due to local governments are separately budgeted in a document given as Annexure IV of the state Budget. Since it is passed by the Legislature it is non-divertible for other purposes by the executive.
5. Fund transfers to the local governments are based on a transparent comprehensive formula which prevents any scope for patronage or partisanship in allocation of resources to local governments.
6. It is the Gram Panchayats which get the major share of the grants with nearly 70% of the rural share going to them and the District and Block Panchayats getting 15% each.

Resources of a Gram Panchayat, Municipality and Corporation

- **Own taxes:**
 - o Taxes which are statutorily assigned to local bodies and levied by them.
 - o Income from Building Tax, Professional Tax, Entertainment Tax, Show Tax and Advertisement Tax
- **Assigned taxes: (Statutory Grants)**
 - o Taxes which are statutorily assigned to local bodies but collected by State Government and made over to local bodies.
 - o Income from Land Revenue, Surcharge on Stamp Duty on transfer of immovable property etc.
- **Shared taxes:**
 - o Taxes which are assigned to the State Government and collected by them.
 - o But a share of the proceeds is disbursed among local bodies.
 - o Income from Motor Vehicle's Tax, etc.
- **Non-tax revenue:**
 - o Income from rents and other properties with Panchayat like markets, bus stands, shopping complex etc., license fees, fines, income from rivers by sale of sand etc.
- **Grants:**
 - o From government for various specified purposes.
 - o Either tied or untied.
- **Loans and Advances:**
 - o From government and other financial institutions for specific purposes.

The Block and the District Panchayats do not have taxation powers and they depend entirely on transfers from above.

Details of development funds allocated to Local Self-Government Institutions, is given every year in Appendix-IV of the State Budget. The amount is calculated based on a comprehensive formula. The three main categories of untied funds included in it are for:

- a) Development expenditure
- b) Maintenance of assets
- c) Traditional Functions (General Purpose Fund)

Audit mechanisms

The local governments accounts and performances are audited through several means:

1. Performance audit

Envisaged as a system for concurrent audit on the performance and accounts of the local governments, the performance audit is to help the local governments in midway correction and fine-tuning of the activities.

2. Local Fund audit

Local Fund audit is done under the leadership of the directorate of Local Funds specially constituted. It is done on an annual basis.

3. Accountant General's audit

The Accountant General of India conducts audit in 10% of the local governments every year, which are randomly selected.

4. Social audit

Gram Sabhas are envisaged to function as forums for social audit. The annual progress reports including the accounts are to be presented to the Gram Sabhas every year. There is already a draft social audit policy for local governments prepared by the Government of Kerala.

Extent of Decentralisation – The Functionaries and Institutions

The work and the worker should go together is the principle adopted while devolving the functionaries. This means that the functionaries for specific tasks at various levels will be attached to the corresponding tiers of the governments to whom the functions have been transferred. This includes professionals, technical people, managers and ministerial staff of the concerned transferred institutions.

In addition, each local government has its own office and office staff. The salaries of the transferred staff are paid by their respective Departments under the State government. Whereas that of the local government office staff are by the local governments themselves from their own resources except in the case of Block and District Panchayats where there is earmarked funds flowing to them.

Issues of dual control still exist in Kerala though it is made clear that state departments have a say in matters of professional/technical nature and the local self-governments have their say based on the devolved functions and responsibilities.

List of institutions transferred

	Departments	Level	Officers Transferred
01	Agriculture	GP BP DP M /C	<ul style="list-style-type: none"> • Krishi Bhavan and the officers in it • The post of Assistant Director and the connected posts • District level Principal Agricultural Officer and staff • Two posts of Agricultural Director and allied posts • The post of Social Conservation Officer and allied posts • Post of Asst. Executive Engineer and allied post • Soil Testing Laboratories of the respective areas • District sales centre • District Agriculture Farm / Coconut Sapling Nursery • Krishi Bhavan of respective places • One post of Deputy Director of Agriculture
02	Animal Husbandry	GP M /C	<ul style="list-style-type: none"> • Veterinary sub centre/ dispensary/hospital and officials • The Veterinary polyclinic sub centre, Dispensary of the respective places
03	Veterinary	BP DP	<ul style="list-style-type: none"> • The service of the Veterinary Surgeon or Assistant Director of Veterinary Polyclinics (SLBP District Office/ Cattle Feed Subsidy District Office/ ICDP projects/ Regional Artificial Insemination Centre etc. should be provided by the Veterinary Department • District Veterinary Officer and staff • District hospital • Veterinary Polyclinic at the respective area, ICPD Area Office, Mobile Veterinary Dispensary, Mobile Farm Unit, Clinical Laboratory not connected to the District Veterinary Centre.
04	Dairy Development	BP DP	<ul style="list-style-type: none"> • Dairy Extension Officer • District level Deputy Director and staff
05	Fisheries	GP DP	<ul style="list-style-type: none"> • Matsya Bhavan and its post of Fisheries sub-inspector • District level Deputy Director of Fisheries and staff • Fisheries school of the respective places

06	Rural Development	GP BP DP	<ul style="list-style-type: none"> • Village extension officer (VEO) / Lady VEO's post and offices • The post of Block Development Officer and additional posts • Functional Literacy Project Officer and staff • Lady Welfare Officer and staff
07	Social Welfare	GP BP DP	<ul style="list-style-type: none"> • Day-care centres and Anganawadis at the respective places and posts including that of ICDS supervisor • Care homes in the respective areas, old age homes and such institutions and Child Development Project Officer • District Social Welfare Officer and staff • District Programme Officer (ICDS)
08	Scheduled Caste Development	GP BP DP	<ul style="list-style-type: none"> • Balawadies, Balawadi cum feeding centre, seasonal care centre and dormitory • Pre-matric hostels • Post of Block Extension Officer • District Scheduled Caste Development Officer and staff
09	Scheduled Tribe Development	GP BP DP M /C	<ul style="list-style-type: none"> • Balawadis, Medical unit, Nursery schools, mid-wifery centres, ayurveda dispensaries • Tribal Extension Officer • Integrated Tribal Development Officer
10	Health -Allopathy	GP BP DP M /C	<ul style="list-style-type: none"> • Dispensaries / hospitals at the respective places • Block level primary health centre of the respective area, community health centre, Taluk hospital / government hospital • District Medical Officer and staff • District Hospital and staff • Community health centres, Government hospitals, Taluk hospitals of the respective places
11	Health-Ayurveda	GP BP DP	<ul style="list-style-type: none"> • Ayurveda Dispensary / Hospital at the respective places • Taluk hospital in the respective area • District Medical Officer and staff

		M / C	<ul style="list-style-type: none"> • District Hospital and staff • Taluk hospitals of the respective places
12	Health-Homoeopathy	GP BP DP M / C	<ul style="list-style-type: none"> • Dispensary / Hospital at the respective places • Taluk hospital in the respective area • District Medical Officer and staff • District Hospital and staff • Hospitals of the respective places
13	General Education	GP DP M / C	<ul style="list-style-type: none"> • Pre-primary schools, government primary schools not attached to high schools • Deputy Director of education, District Education Officer, Assistant Education Officer etc, and their staff • High schools of the respective areas and Primary Schools attached to them • Government Primary schools and High schools of the respective places
14	Public works	GP BP DP	<ul style="list-style-type: none"> • The transferred officers of the public works department • The redeployed Assistant Executive Engineer and his staff • On division including an Executive Engineer and the corresponding staff
15	Industries	BP DP	<ul style="list-style-type: none"> • One post of Industrial Extension Officer • General Manager, District Industries centre
16	Khadi	DP	<ul style="list-style-type: none"> • District level Officers of the Kerala Khadi and Village Industries Board
17	Minor irrigation	DP	<ul style="list-style-type: none"> • One Asst. Executive Engineer and staff
18	Technical Education	DP	<ul style="list-style-type: none"> • Tailoring / Garment making Training Centres of the respective areas • Tailoring Trade Centre of the respective areas
19	Cooperative	DP M / C	<ul style="list-style-type: none"> • One post of Assistant Registrar and one clerk • One post of Senior Co-operative Inspector

GP- Gram Panchayat, BP-Block Panchayat, DP-District Panchayat, M/C- Municipal Councils / Corporations

An Overview of the Extent of Decentralisation

(For details refer Activity mapping prepared by the Government of Kerala)

- (1) In health sector, all institutions other than medical colleges and large regional speciality hospitals have been placed under the control of the local governments.
- (2) Sanitation and rural water supply are now functions of the local governments.
- (3) In the education sector, in rural areas the primary and upper primary schools have been transferred to Gram Panchayats whereas the high schools have been transferred to the District Panchayats: in urban areas, all schools have been transferred to the urban local governments.
- (4) Activities and programmes related to poverty alleviation have been entirely transferred to the local governments.
- (5) Most of the centrally sponsored programmes (programmes designed and funded by the national government) are planned and implemented through the local governments.
- (6) Apart from a few statutory functions relating to juvenile justice, the functions and activities related to social welfare are either planned by or are routed through the local governments.
- (7) Welfare pensions are routed through the local governments.
- (8) Rural and urban local bodies implement the Integrated Child Development Scheme (ICDS), which looks after the children, adolescents and mothers.
- (9) In the agriculture and allied sectors, agricultural extension including farmer oriented support for increasing production and productivity, watershed management and minor irrigation, dairy development, animal husbandry including veterinary care and inland fisheries are all now functions transferred to local governments.
- (10) Roads except highways and major district roads, are local government functions.

The New Institutional Mechanisms

The District Planning Committee (DPC)

Article 243 ZD (1) lays down that “there shall be constituted in every state at the district level a District Planning Committee to consolidate the plans prepared by the Panchayats and Municipalities in the district and to prepare a draft development plan for the district as a whole”.

In Kerala, each district has a District Planning Committee headed by the President of the District Panchayat. It has members elected from among the elected representatives of Gram Panchayat, Block Panchayat, District Panchayat, Municipalities and Corporation.

District Collector is the Secretary of the DPC. All the district level heads of the line departments are ex-officio joint secretaries. The District Planning Office functions as the secretariat of these DPCs.

DPCs in Kerala are the bodies which approve and monitor the local plans. They are also responsible for the preparation of the district plans.

State Election Commission (SEC)

State Election Commission, Kerala came into existence on 3rd December 1993 as envisaged in Article 243(k) of the Constitution of India. The superintendence, direction and control of preparation of voters list and conduct of election to the local self government Institution vest with the Commission.

The State Election Commissioner has several unique powers, of which the salient ones are

- To chair the Delimitation Commission which delimits local government constituencies.
- To conduct local government elections including disciplinary powers over staff who are on election duty.
- To assign reserved posts and constituencies
- Can disqualify candidates who do not submit election accounts.
- Can disqualify candidates found guilty of defection.
- Can disqualify elected representative who do not convene the Gram Sabha.

State Finance Commission (SFC)

As per the Constitution, all the State Governments are mandated to set up their Finance Commissions once in every five years. Accordingly, the Kerala Panchayat Raj Act 1994 gives provision for the State Government to appoint State Finance Commission in every five years constituting of members not exceeding three including the Chairman. Accordingly the first State Finance Commission was constituted in 1994, the second one was constituted in 1999 and the third one in 2004.

State Development Council (SDC)

In the line of the National Development Council, the State Development Council is expected to take the lead in policy formulation and in sorting out operational issues in local governance.

Headed by the Chief Minister and consists of the entire Cabinet of ministers, Leader of opposition, Vice-Chairman of the State Planning Board, the Chief Secretary, all the District Panchayat Presidents who are also Chairpersons of District Planning Committee and representatives of other tiers of local governments.

Ombudsman

The Ombudsman is a high power institution intended to check corruption or maladministration or irregularities in local governments.

Initially when formed, the Ombudsman was consisting of seven members – a High Court Judge, two District Judges, two Secretaries to Government and two eminent public men selected in consultation with the Leader of Opposition. This was later reduced to a one member institution.

It has been given vast powers to conduct investigation and or enquiry in respect of any action involving corruption or maladministration or irregularities in the discharge of administrative functions by Local Self Government Institutions or by any elected Member or by an employee or an officer working in or under the any office or institutions transferred to Local Self Government Institutions including its President or Chairperson.

Appellate Tribunals

The state has Appellate tribunals to take care of appeals by citizens against decisions of the local government taken in the exercise of their regulatory role like issue of licence, grant of permit etc. It is also empowered to consider disputes between Panchayats and between Panchayats and the State government. The state level tribunal is already in place. The Regional/District level tribunals are yet to be constituted.

The New Institutional Mechanisms

Citizen's Right To Information

The Kerala Panchayati Raj Act 1994 enacted thus: 'Any citizen has the right to obtain information contained in any document/record or to get an attested copy or to transcribe the relevant portions of matters related to a Panchayat's administrative, developmental or regulatory responsibilities'.

Citizen's Charter

Every Panchayat in the State has to prepare and publish Citizen's Charter within six months after the elections. It is a document of the Panchayat that explains in a clear and lucid manner the various services provided to the citizens by the Panchayat and institutions/departments under it, in the areas of development, governance, welfare, regulations etc, how to apply for them, terms and conditions, time required, fee if any to be paid and its details, to whom the application has to be submitted and when etc.

Information Kerala Mission (IKM)

The Mission was originated from the idea 'Kerala Information Network for Local Bodies'. The primary objective of IKM is to have a Plan Monitoring System for the Local Self Government Institutions.

It is also entrusted with the task of computerisation of the local governments, with an approach to technology as a means for facilitating change and technology application for improving productivity, ensuring better service delivery, guaranteeing faster and objective decision-making and enhancing accountability.

Vigilance Committee (Jaagratha Samithi)

Jaagratha Samithis are committees formed at the level of every local government in Kerala and under their umbrella. The term Jaagratha Samithi literally means a Vigilance Committee. It acts as a quasi-judicial mechanism from the Panchayat ward level upwards, to protect the rights of the women and girl children. They also facilitate mainstreaming of gender in the decentralisation process leading to qualitative improvement of the status of women in society. Built on the principles of gender equity and justice, the Jaagratha Samithi pro-actively, as well as by responding to complaints, takes step to ensure the safety and security of women by addressing matters related to violation of women's rights. The functioning of the Jaagratha samithi is guided by the State Women's Commission.

Kudumbashree

Kudumbashree, the State Poverty Eradication Mission (SPEM) of the Government of Kerala was launched in 1998 with the active support of Government of India and NABARD. It was intended for eradicating absolute poverty within a period of 10 years.

The slogan of Kudumbashree is "Reaching out to families through Women and reaching out to community through families".

Kudumbashree is a programme of the economically backward families in the state. It has different kinds of activities that provide the families with information, create awareness, build up their capability and capacity, enhance their confidence and show them opportunity for better social security and empower them physically, socially, economically and politically.

Women belonging to the Below Poverty Line (BPL) households in a neighbourhood form the local units. These units are federated at the ward level to form the Area Development Societies (ADS), which are federated at the Gram Panchayat level to form the Community Development Society (CDS). Though autonomous in structure, they work closely with the Gram Panchayat.

The Panchayat president is the patron of the CDS whereas the ward member is the patron of the ADS.

Local Government Associations

Each tier of local governments in Kerala has their own associations namely:

- Gram Panchayat Association
- Block Panchayat Association
- District Panchayat Association
- Chamber of Municipal Chairpersons
- Mayors Council

The major activities of these associations include interaction with government, giving suggestions to government, organising seminars, workshops etc on local governance. State government consults the associations in matters of the local governments.

Other Initiatives

CapDeck

The Programme on Capacity Development for Decentralisation in Kerala (CapDeck), started in 1999 as collaboration between the Swiss Agency for development and Cooperation (SDC) and the Kerala Institute of Local Administration (KILA), was conceptualised to support capacity building activities.

Decentralisation Support Programme (DSP)

It was a programme implemented by Government with support from Royal Netherlands Embassy with a view to facilitating the process of institutionalisation of decentralisation initiatives in Kerala. DSP Phase 1 concentrated in identifying issues, which needed to be addressed to take Decentralisation forward. Phase 2 aimed to implement 16 sub themes identified under three main themes. The themes were

- Gender Development in local self government institutions,
- Improving the planning process in local government institutions for sustainable and equitable management
- Institutional and staffing policy

Modernizing Government Programme (MGP)

Modernising Government Programme (MGP) was initiated as part of the government decision to overhaul and improve its services to the people of the State. The thrust was to ensure the provision of services in a more efficient, effective and equitable manner with greater accountability.

It included five projects:

1. Service Delivery Project (aimed at improving services in offices/institutions of selected departments)
2. Poverty Alleviation Project (which is a combination of the Social Destitute Scheme and Minimum Needs Package for Tribals)
3. Information Access to citizens in key offices
4. Simplification of rules and procedures in Government
5. Simplification of rules and procedures in Local Self Governments

Activity Mapping

In order to ensure role clarity among the various actors like the State departments and the different tiers of local governments, the Government of Kerala went in for an exercise known as activity mapping. This details out of the responsibilities and activities of each of the State departments and the local governments.

For more details on the status of local governance in Kerala:

- Contact : 1. Kerala Institute of Local Administration, Thrissur, Kerala.
2. Department of Local Self Governments, Government of Kerala, Trivandrum.
- Refer : 1. Issac, TM Thomas and Richard Franke, 2000, Local Democracy and Development: People's Campaign for Decentralised Governance in Kerala, Leftword, New Delhi.
2. Geeta Sethi, 2004, Fiscal Decentralisation to Rural Governance in India, The World Bank, Oxford University press.
3. Kerala Institute of Local Administration (5 books packet).
4. Kerala Institute of Local Administration, Decentralised Administrative System- Analysis.
- Browse : www.keralaplanningboard.org
www.lsg.kerala.gov.in
www.kilalibrary.googlepages.com

The Local Plans

The Big Bang

It is argued that there are certain pre requisites for decentralisation of powers including devolution of funds. The major ones among them are

1. The rules and regulations have to be amended to suit the decentralised system.
2. Human resources have to be made available at the local level.
3. Capacities have to be developed.

But, the experience is that these are always postponed or delayed thus preventing genuine decentralisation.

In 1996, the Government of Kerala decided to change this approach. It went in for large scale fiscal devolution. Along with that, the Government initiated a campaign for local level planning known as the People's Plan Campaign. Thus the participation of the people from all levels on a large scale would act as the pressure from below for strengthening decentralisation. The rules, human resources and capacity building will have to be provided once this pressure is built up.

- The State Government announced that 35-40% of the State Plan Outlay (development Funds) would be earmarked for local governments.
- It will be disbursed based on comprehensive formula.
- The amount will be part of the State Budget passed by the Legislature.
- The local governments will have to prepare local plans with people's participation.
- The Gram Sabhas will play a major role in the preparation of the local plans.
- The State Government prepares broad guidelines for the preparation of the local plans.
- The Government will also facilitate the process by providing training to various stakeholders.
- The Committee on Decentralisation of Powers will suggest the necessary changes to be introduced in the system taking into account the initial experiences of the People's Plan Campaign.

People’s Plan Campaign

People’s Plan Campaign was meant to facilitate the preparation of scientific, participatory and time bound local plans for the Ninth Five Year Plan. It brought together officials, retired officials, experts, volunteers and mass of people under the elected representatives.

The Campaign facilitated the empowerment of local bodies thus aiding in genuine grass roots planning.

A series of steps were formulated along with large scale capacity building initiatives and mobilisation so as to enable the local governments to prepare local plans.



Processes in Local Planning

GRAM SABHAS

The Plan formulation activities started with the Gram Sabhas. It was in these Gram Sabhas that the felt needs, priorities and development perspectives listed.

Gram Sabhas select their representatives to the development seminar and also identifies volunteers for various participatory rural appraisal activities prior to the preparation of the Development report.

DEVELOPMENT REPORT

The development report prepared by the people of the village is a development status report of the village. It has the consolidation of Gram Sabha reports, situational analysis of the various development sectors, review of on-going schemes and projects, collection of secondary data on the village, geographical study of the area and local history.

DEVELOPMENT SEMINAR

Development seminar organised at the Panchayat level has representatives from all the wards who are deputed by each Gram Sabha. The seminar discusses the development report, provides final suggestions on solutions to development issues identified earlier and forms subject wise task forces. Examples of such task forces include health, education, animal husbandry, agriculture, minor irrigation, women's welfare, scheduled caste and scheduled tribe development, drinking water and sanitation, housing etc. Task forces are now renamed as Working Groups.

The chairperson of each Working group is an elected representative of the Panchayat, convener an official from the concerned development sector and the vice chairperson from among the general public. The task of the task forces is to prepare projects based on the issues and solutions suggested by the Gram Sabhas and later endorsed by the development seminar.

Processes in Local Planning

PROJECTS

Once the project ideas are ready, it is the responsibility of the concerned subject working groups to prepare projects for each of them. The projects have a format, which includes introduction including situational analysis, objectives, beneficiaries, activities, work calendar, organisation, financial analysis, expected achievements, monitoring and evaluation, statements on environmental impact and gender impact and a conclusion.

PLAN

Once the projects are prepared, it is time for the plan preparation. So far, the local governments in Kerala have focussed on the preparation of annual plans so there were attempts on five-year plan. Plan is based on a development strategy formulated by the Panchayat committee. This plan is also to have sub plans or programmes like the women component plan, tribal sub plan, special component plan, anti poverty sub plan and destitute rehabilitation plan. The Committee prioritises the projects so as to finalise the plan. It is the responsibility of the Panchayat Committee to present this plan in the Gram Sabha and explain the criteria used for this prioritisation. The plan also looks into the overall availability of resources, scope for additional resource mobilisation, raising of own revenue and integration with various other programmes supported by the state and central governments.

Processes in Local Planning

VETTING

Once the plans are ready, these have to be vetted for their feasibility. They are also to be assessed for adherence to the general guidelines prescribed for local planning so as to avoid duplication and to ensure role clarity, integration and complementarity.

Formally this is to be carried out by the District Planning Committee (DPC). In order to assist the DPC in carrying out this task, Technical Advisory Committees (TAG) are formed at Block, District and State levels. The Block level TAG looks into GP plans, the District level TAG into Block and district Panchayat plans. There are also the municipal and corporation level TAGs which look into the corresponding plans. There is a state level TAG which oversees the district panchayat and corporation plans. It is to be noted that the TAGs have no right to disapprove or reject a project. They can only suggest or point out the flaws and lacunae or can suggest points for improvement. The decisions on all the projects are the authority of the concerned local government. The TAGs discuss these matters with the concerned local governments as well as submit their comments and suggestions to the DPC. Finally it is the DPC which approves the plans based on the discussions with the local governments.

It was the expert committees formed a part of Voluntary Technical Committee (VTC) during the People's Plan Campaign which were renamed and reshaped as Technical Advisory Groups later on. The expert committees were preceded by the Voluntary Technical Corps which consisted of experts, professionals and officials who volunteered to support the local governments in assessing the technical viability of the projects as well as to provide technical advice to the local governments.

TECHNICAL SANCTION

There are a few projects like the engineering related activities which require technical sanction as per the state government guidelines. This is done through technical committees at the various levels for specific subject areas.

It is to be noted that the idea of committees is promoted so that the responsibility to vet or issue technical sanction is not vested with individuals which might lead to concentration of power and corruption. This system also ensures more transparency.

Processes in Local Planning

IMPLEMENTATION MECHANISMS

Local governments implement the projects under the plan in various ways.

1. Directly by the local government office and employees
2. Community contracting through the beneficiary committees
3. By open tender /contractors
4. Entrusting with the concerned State government departments and parastatals
5. Through agencies accredited by the State government for specific purposes

MONITORING SYSTEM

The Panchayat committee and its standing committees with the support of the officers concerned are envisaged to monitor the projects implemented as part of the local plan. In addition to this, beneficiary committees also do monitoring and the concerned subject specific working group that prepares the projects and which later becomes the monitoring committee. It is stipulated that the final payment of the bill could be made only after the monitoring committee approves it.

REVIEW AND EVALUATION

At the end of the year, the Panchayat committee has to present the review and progress report in the Gram Sabha. This is the platform, which is meant for social audit.

District Plan

The Planning Commission of India defines district planning as ‘the process of preparing an integrated plan for the local government sector in a district taking into account the resources (natural, human and financial) available and covering the sectoral activities and schemes assigned to the district level and below and those implemented through local governments in a state’. The Planning Commission also defines District Plan as ‘the document that embodies this statement of resources and their allocation for various purposes’. In the post 73rd and 74th Amendment scenario, with the mandates from Article 243 G and Article 243 ZD (1), the following objectives are suggested for the District Plan:

1. To provide a macro perspective for the sustainable development of the district.
2. To analyse and consolidate the local plans as well as to identify areas of integration and convergence with respect to local plans and the higher level plans like the state and central plans.
3. To provide guidelines for future plans – both local and higher tiers.

In the year 2000, the state of Kerala went in for the preparation of the district plan. The process started from Gram Sabhas, preparation of development reports which situational analysis, needs identification and potentials, local plan finalisation inclusive of prioritisation based on a development strategy and the fourth stage ended with the District Plan.

The District Plans thus evolved had (1) a perspective for the district development prepared on the basis of assessment of the resource base, development problems and sectoral analysis, (2) consolidated plans of the local governments and (3) the guidelines for the formulation of future local plans thus making the planning cycle complete.

The Kerala Development Programme (2002-2007)

While the Ninth Five Year plan was named as 'the People's Plan', the Tenth Five Year Plan was named as 'the Kerala Development Programme'. This period marked the beginning of the institutionalisation process. The Plan focused on reforms in development and governance and so it is also known as the Reform Plan.

The Re-launching of the People's Plan Campaign (2007)

As part of the launch of the Eleventh Five Year Plan, the Government of Kerala decided to re-launch the People's Plan Campaign so as to add more enthusiasm to the participatory planning processes. It is also envisaged to have the Five Year Plans prepared by the local governments.

Plan Guidelines Revisited

Every year, the Plan guidelines undergo revision based on the feedback and learnings from the experiences of the previous year. One of the major inclusion in the Eleventh Five Year Plan is the introduction of a series of special purpose sub-plans to be formulated by the local governments like:

1. Integrated watershed management plan
2. Local economic development plan
3. Education plan
4. Integrated Child Development Scheme
5. Health Plan
6. Anti poverty sub plan
7. Total sanitation plan
8. Water supply plan
9. Special component plan
10. Tribal sub plan
11. Energy plan
12. Connectivity plan
13. Sports facilities plan
14. Good governance plan

So far the local governments were focusing on annual plans where as from this year onwards, five year plans are being attempted.

An Appraisal

The performance of local governments over the last decade has not yet been formally analysed in detail except for a few studies and evaluation reports. But there are anecdotal evidences to suggest successes and failures.

Local development planning and implementation have been the key areas of activities of local governments during this period. It is now overwhelmingly proved that the local governments are capable of preparing and implementing the plans.

The successful areas in this development planning process by local governments in the state are in providing housing to the poor, drinking water, ensuring household sanitation, improving the conditions of anganawadies, quality improvement in education, women empowerment, resource mobilisation and a few more social welfare activities.

Though these are not universal across the state, many innovative experiences and learnings were developed by many a local government during the process.

Systemic Changes

The introduction of women component plan (WCP) where 10% of the total plan grant in aid has to be utilised for those projects which are directly beneficial to women is the most important among the systemic changes.

Another major change was the introduction of a beneficiary selection process in individual beneficiary schemes, so far being implemented through a patronage system. The new system involved objective criteria for eligibility as well as prioritisation. The process is transparent with the Gram Sabha as the only forum having the power for beneficiary selection.

A better transparency in local public works evolved through the involvement of beneficiary committees, notice boards, estimates in local language and monitoring committees.

Though not formally undertaken, Gram Sabhas have become the forum for social audit where the Panchayat Committee presents the annual plan and budget along with the previous year's accounts and achievements.

Many rules and regulations were formulated to assist the local governance and planning process during this period. A new financial procedure evolved to suit the changed status of local governments in the state.

Limitations

There are still a lot of limitations and failures. Despite a decade of local planning, the productive sector especially the agriculture sector remains stagnant. There are arguments that this sector was on a downward path even before the decentralisation process was started.

Though there are improvements in the facilities and functioning of the various institutions transferred to the local governments, the services provided by these institutions to the citizens have improved only in patches.

The potentials and possibilities of integration of various schemes and projects at the local level have not been tapped by the local plans.

The local governments require much more expertise in planning for various development issues. This has also lead to a condition where individual benefits distribution outweighs comprehensive programmes with long term vision.

Though the participatory local planning was intended to be used as a tool for strengthening decentralisation and local governance, there is an argument that the local governments over these years have focussed more on development planning alone with other governance processes getting sidelined.

Challenges faced

The Kerala decentralisation still faces a lot of challenges. While the success of it has depended heavily on the political will at all levels, the challenges are also related to sustaining this political will.

The mistrust and ego between the bureaucracy and elected representatives are still problems to be fully tackled. The dual control of officials transferred to local governments by the line department and the local governments have been causing much hindrance to the effective decentralisation process in the state. These are also attributed to absence of rules and regulations remodelled to suit the decentralised governance system.

At the local level, there is still the information and data gap, which weakens a scientific local plan preparation.

In addition to these are the various vertical programmes like the centrally sponsored schemes, state sponsored schemes and donor supported programmes which undermines the local government functioning by creating parallel bodies and structures.

For more details on the status of local governance in Kerala:

Contact : 1. Kerala Institute of Local Administration, Thrissur, Kerala.

2. Department of Local Self Governments, Government of Kerala, Trivandrum.

Refer : 1. Issac, TM Thomas and Richard Franke, 2000, Local Democracy and Development: People's Campaign for Decentralised Governance in Kerala, Leftword, New Delhi.

2. Governments of India, Evaluation Report on Decentralized Experience of Kerala, PEO Report No: 195, January 2006, Planning Commission, New Delhi, 2006.

3. Emerging Issues in Panchayati Raj in Kerala -A Study Report, 2003, Centre for Socio-economic and Environmental Studies, Centre for Rural Management, SDC-CapDeCK

Browse : www.kilaonline.org

www.lsg.kerala.gov.in

www.infokerala.org

Capacity Building

Training during People's Plan Campaign

The People's Plan Campaign focussed on capacity building in an unprecedented manner. The training programmes during the five years of the Campaign provided training to a vast number of stakeholder groups on various thematic areas being dealt with by the local governments.

Each phase of the participatory planning process was preceded by a series of training programmes organised in a cascading way. Thus at the state level 650 odd key resource persons (KRP) were trained prior to each phase who in turn trained the district resource persons (DRP) who trained the local resource persons. In addition, the elected representatives, officials and volunteers received training on various themes in local planning process depending upon the need. Each of these phases had modules and handbooks.

The sector specific training programmes were conducted by the relevant technical and academic institutions like the Medical colleges for health, Agricultural University for agriculture etc.

During the later stages of the People's Plan Campaign, there were Panchayat to Panchayat training programmes on various thematic areas where in those Panchayats who had performed well provided training to other Panchayats.

Campaign to Institutionalisation

The campaign came to an end in the early months of 2001. By this time there were efforts to institutionalise the decentralisation process especially the training and other capacity building activities.

The Kerala Institute of Local Administration (KILA) was identified as the nodal institution for capacity building for decentralisation in the state. Towards the end of the campaign itself, the KILA had started grooming itself for the task.

The training programmes for the Tenth Five Year plan preparation and the capacity building initiatives associated with it were led by the KILA. The pattern followed was that of the campaign with cascading type of training programmes with Key resource persons providing training to others.

There are a few other institutions also involved in providing training to various groups of stakeholders of decentralisation like the State Institute of Rural Development (SIRD) and Institute of Management in Government (IMG). In addition, many NGOs provide support to local governments at the local level.

Kerala Institute of Local Administration (KILA)

Located at Thrissur, KILA is the nodal agency identified by the Government of Kerala for capacity building for decentralisation. It is an autonomous body under the auspices of the Government of Kerala.

KILA is engaged in the capacity building activities like training, research and consultancy in decentralised governance and administration for the Local Self-Government Institutions in Kerala, both rural and urban. It is one of the key players in the decentralisation process in Kerala as well as India. It functions as a knowledge management center through trainings, publications, seminars, workshops and discussions.

KILA has expertise in areas like decentralised planning, local governance, good governance, local economic development, poverty alleviation, gender and development, empowerment of marginalised groups and sustainable development including rainwater harvesting.

In addition to the in-house faculty, the institute has a pool of resource persons at the state and district levels drawn from academicians, administrators, researchers and former elected representatives.

The recent activities of KILA can be summarized as decentralised district level training programmes through district implementing institutions, training of trainers programmes, on-line monitoring of decentralised training, library and information system, certificate course for elected representatives, courses in decentralisation in various regional languages, national level course in decentralisation, international course in decentralised governance and poverty alleviation, international course in decentralisation, urban governance and poverty alleviation, action research programmes, seminars, workshops, conferences and various programmes on decentralisation outside the state.

Research activities include replication of best practices, resource mobilization by local governments, training needs assessment for elected representatives and officials and action plan with resource requirements, asset management in local governments and citizen report card.

KILA publishes a quarterly English journal named Journal of Local Governance. It has a well established Library and information division. It has books, reports, journals related to local governance and decentralisation. It also provides CD-ROM publications on the theme. It uses digital archiving technologies in sectors related to local governance.

KILA collaborates with various national and international agencies like the Swiss Agency for Development and Cooperation (SDC), HUDCO/HSMI, National Institute of Urban Affairs and various other government departments and institutes.

Kerala State Planning Board

The State Planning Board was first constituted in this State in September 1967 with Chief Minister as Chairman and a non-official as Vice-Chairman. Apart from minister for Finance and Chief Secretary to the Government there were three other fulltime members. The Board is to enable the State Government to formulate development plans based on a scientific assessment of the resources of the State and the growth priorities. The board prepares the Annual Economic Review to be presented along with the Budget Document to the State legislature. The board is supported by District Planning Offices. These act as the secretariate of the District Planning Committee.

State level Administration Set up

There is the Ministry of Local Self-Governments headed by a Cabinet Minister which formulates State level policies on decentralisation. This is supported by the Department of Local Self-Governments headed by a Principal Secretary.

A Directorate of Panchayats and a Directorate of Urban Affairs work under the department. These have their offices in each district or regions. There is the Commissionerate of Rural Development which has been brought under the Department of Local Governments so as to ensure proper integration of rural development activities with local governments.

District Rural Development Agency (DRDA), an erstwhile arm of the Commissionerate of Rural Development in the districts is now merged with the District Panchayat.

There is also the Town and Country Planning Department which provides technical support to the Department of Local Self Governments

State Institute of Rural Development (SIRD)

SIRD is an autonomous body under the auspices of the Government of Kerala with the objective of developing managerial skills, organisational abilities, leadership qualities and decision making skills among different categories of Government officials, elected representatives of Panchayats and members of non-governmental organisations who are engaged in developmental activities in the State. It is also a major research and consultancy center on various facets of rural development. SIRD is located at Kottarakkara in Kollam district.

Institute of Management in Government (IMG)

The Institute of Management in Government, Thiruvananthapuram is an autonomous body under the auspices of the Government of Kerala with the objective of developing managerial skills, organisational abilities, leadership qualities and decision making skills among different categories of employees of Government, Private and Public sector.

It offers a variety of quality and need based training programmes for Civil Service Personnel at the State and National Level. It also undertakes research and consultancy assignments with social orientation and commitment. The IMG offers quality management and functional programmes for middle level and senior level functionaries (including All India Services). It also offers various training programmes targeted at different levels and for an array of Departments, Public Sector Undertakings and Local Self Governments on IT enabled governance. With Thiruvananthapuram as its Head Quarters, IMG has two Regional Centres at Kochi and Kozhikode.

Non Governmental Organisations

There are a host of NGOs involved in Panchayati Raj processes. Their involvement ranges from organising training programmes for the elected representatives and the citizens, advocacy initiatives, research and studies and providing technical support to local governments.

CapDeck

The Programme on Capacity Development for Decentralisation in Kerala

CapDeck Phase 1

The project on Capacity Development for Decentralisation in Kerala (CapDeck) was launched in 2000 as a collaborative project with the Swiss Agency for Development and Cooperation (SDC) and the Kerala Institute of Local Administration (KILA) to strengthen and support the capacity building for democratic decentralisation and devolution of powers to local bodies.

It was intended to develop a long-term capacity building strategy and programme, assist organisational development of core organisations, support the stabilisation of the decentralisation process and for the development of decentralised training facilities.

The project helped in the organisational strengthening of KILA including faculty support and training facilities. A comprehensive and realistic strategy and programme for future capacity building activities under the leadership of KILA was developed. The project also undertook field studies to provide the necessary systematic, in-depth and prioritised information on actual training needs and requirements.

The CapDeck project was instrumental in the conduct of on-going training activities by the different organisations during the time of the People's Plan Campaign. A noteworthy contribution of the project was the formation of mobile field teams, which provided direct training support to the local governments at the local level itself on demand.

CapDeck Phase 1

The activities of the CapDeck Phase 1 can be divided into three stages:

1. Campaign
2. Transition from People's Plan Campaign to KILA
3. Institutionalisation

Campaign: The project started with support to People's Plan Campaign activities, especially the training and capacity building activities for the decentralised planning process in the state. The training programmes covered elected representatives, officials, and volunteers. Training programmes for the empowerment of women, dalits and tribals were also part of these. The introduction of mobile field teams to provide support to the local governments was initiated at this stage.

Transition from People's Plan Campaign to KILA: This stage marked the period during which the transfer of activities and responsibilities from the PPCC to KILA began. The KILA took the lead as an organisation that could design, organise and supervise an overall strategy and programme in capacity building for decentralisation.

Institutionalisation: As the People's Plan Campaign Cell faded out in 2001, the KILA began to take the leadership in capacity development for decentralisation. Efforts were taken at KILA to broaden its base and to develop into a nodal organisation by playing a pro-active role in capacity development for decentralisation. The members of the mobile field teams were reoriented to function as the extension faculty of KILA. Development of concept, strategy and programme for capacity development of local self-governments and related organisations was undertaken with the support of CapDeck. Another important initiative under the project was the finalisation of the Decentralised Administrative System Analysis (DASA).

CapDeck Phase 2

The encouraging results of the first phase of CapDeck led to the **second phase (2003-07)**. This phase witnessed implementation of a comprehensive State strategy for capacity development, together with the **institutionalisation of decentralised training systems and platforms for knowledge exchange** under the aegis of KILA.

The key achievements of the decentralised training system under the CapDeck programme in its phase-2 are manifold. During the year 2006, the newly elected representatives of the local governments numbering over 21,000 were provided with initial orientation and in-depth training respectively within three months and one year of their election. Each representative was provided with handbooks on important topics related to their functions as elected members. A large number of officials closely associated with PRIs were also provided training. KILA was instrumental for not only preparing the modules for training, but also in developing a cadre of trainers in all districts as part of a decentralised training system.

The concept of platform for sharing experiences, knowledge management and advocacy initiatives was launched during the phase. CapDeck Phase 2 programme also supported the strengthening of **local government associations (Panchayat Associations)**, which potentially are important actors in policy advocacy.

Gender has also emerged as a cross cutting theme in local governance through KILA and other actors. The successful model of Jagratha Samithies (local level village vigilance committees for empowerment of women and fighting atrocities against them) evolved through support from CapDeck Phase 2 is being mainstreamed and institutionalised in selected panchayats by the State Women's Commission and KILA.

Panchayati Raj Empowerment

Apart from the direct collaboration with KILA, the Programme had another component known as Panchayati Raj Empowerment. It consisted of the support to collective efforts and experiences made under the leadership of 71 Gram Panchayats and 15 partner organisations in the 14 districts of the State, to promote and strengthen decentralised governance and Panchayati Raj.

While the decentralised training system provided training from the top to the elected representatives and officials of local governments, the Panchayati Raj Empowerment component focused on building experiences at the grassroots. The platforms were to serve as an interface between the two where experiences, learnings, knowledge and opinions are shared thus completing the cycle of capacity building.

The component gave thrust on a few key thematic areas which were identified as having the need as well as potentials for intervention:

1. Strengthening of Gram Sabhas
2. Developing Panchayats real institutions of local self governance
3. Empowering marginalized groups through Panchayati Raj
4. Mainstreaming gender
5. Empowering CBOs to strengthen Panchayati Raj

A few more sub areas evolved during the process.

These interventions were carried out through Panchayats, Non Governmental Organisations, academic institutions, local government associations, Kudumbashree Mission, State Women's Commission and other civil society organisations. Different approaches, thematic focus and thrust areas were identified in each partner Panchayat. Finally, based on the learnings from these pilot interventions, the experiences were to be upscaled and mainstreamed.

For more details on Capacity building and CapDeck:

Contact : 1. Kerala Institute of Local Administration, Thrissur, Kerala.
2. SDC-CapDeck, PCU, Pattom, Trivandrum.

Refer : 1. Annual Reports of KILA
2. SDC-CapDeck, Empowering Panchayati Raj Series

Browse/email : www.kilaonline.org, kila@md2.vsnl.net.in
capdeck@asianetindia.com

For further reading

Major Studies/ Books

- a. Issac, T.M Thomas and Richard Franke, 2000, Local Democracy and Development: People's Campaign for Decentralised Governance in Kerala, LeftWord, New Delhi.
- b. Geeta Sethi, 2004, Fiscal Decentralisation to Rural Governments in India, The World Bank: Oxford University Press.
- c. Ramachandran, V, 1998, Report on the Measures to be Taken for democratic decentralisation at the District and Lower Levels – Volume 1 and 2, Reprinted by Kerala Institute of Local Administration, Thrissur, Kerala.
- d. Government of India, *Evaluation Report on Decentralized Experience of Kerala*, PEO Report No. 195, January 2006 New Delhi, Planning Commission, 2006.
- e. Emerging Issues in Panchayati Raj in Kerala -A Study Report, 2003, Centre for Socio-economic and Environmental Studies, Centre for Rural Management, SDC-CapDecK.
- f. Decentralised Administrative System – An Analysis, July 2002, KILA/SDC-CapDecK.
- g. KILA handbooks series
- h. Status of Panchayati Raj
- i. Empowering Panchayati Raj series, 2007, SDC-CapDecK.

Important Institutions, offices and organisations for more information

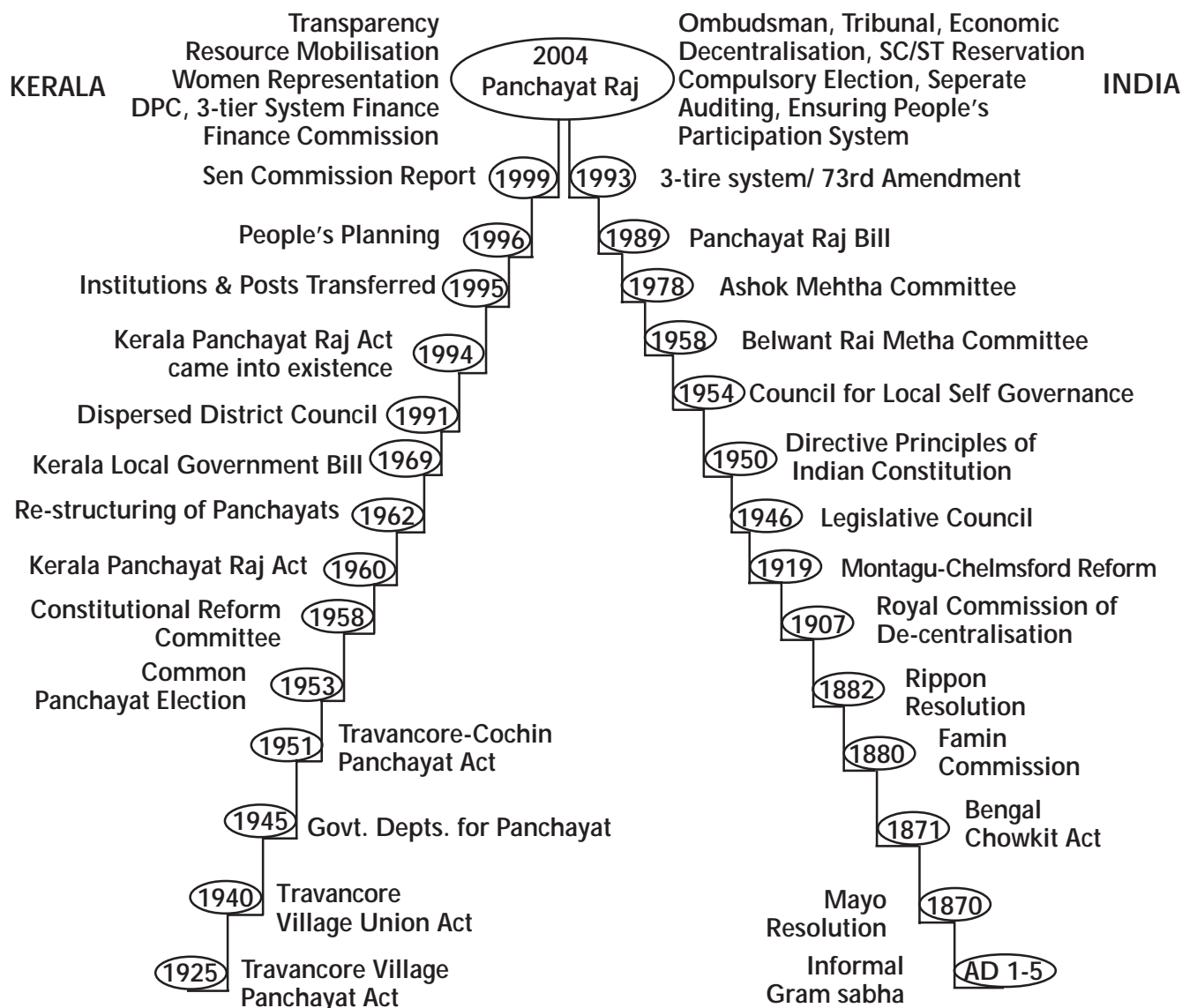
Offices /Organisations	Email	website
CDIT		www.cdit.org/
Centre for Development Studies		www.cds.ac.in/
Centre for Rural Management	crmrural@sancharnet.in	
Centre for Socio-economic & Environmental Studies (CSES)	csesindia@gmail.com	www.csesindia.org
Clean Kerala Mission	director@cleankerala.org	www.cleankerala.org/
Commissioner of Rural Development	crdker@eth.net	www.crd.kerala.gov.in
Decentralisation Community		www.solutionexchange-un.net.in/
Directorate of Panchayats		
Directorate of Urban Affairs		
For all municipal websites in Kerala		www.kilalibrary.googlepages.com/municipalities.htm
Government of Kerala		www.kerala.gov.in/
Grameena Patana Kendram (GPK)	info@grameena.org	
Information Gateway to urban Local Governance in Kerala		www.kilalibrary.googlepages.com
Information Kerala Mission (IKM)	prasad-mk@hotmail.com	www.infokerala.org
Institute of Management in Government (IMG)	imgtvpm@hotmail.com	www.imgkerala.org
Institute of Social Sciences	issnd@vsnl.com	www.issin.org
Integrated Rural Technology Centre (IRTC)		
Kerala Gram Panchayat Association		
Kerala Institute of Local Administration (KILA)	kila@md2.vsnl.net.in	www.kilaonline.org/
Kerala State Planning Board	vc@keralaplanningboard.org	www.keralaplanningboard.org/
Kerala Women's Commission	keralawomenscommission@yahoo.co.in	www.keralawomenscommission.gov.in
KIMS	kimstvm@sancharnet.in	
Kerala Sustainable Urban Development Project (KSUDP)	pmuksudp@gmail.com iec@ksudp.org	www.ksudp.org
Kudumbashree Project Kerala	spem@asianetindia.com	www.sjsry-kudumbashree.org/

Local Self Government Kerala Minister	ministerlocaladmin@kerala.gov.in	www.lsg.kerala.gov.in
Local Self Government Kerala Principal Secretary	prlsecy@lsg.kerala.gov.in	
Local Self Government Kerala Secretary	secretarylsgd@gmail.com	
Loyola Extension Service (LES)	les@asianetindia.com	
Maithri	maithri@sancharnet.in	
NREGA	nregakerala@gmail.com	
Ombudsman Kerala	ombudusmanlsgi@yahoo.co.in	www.kerala.gov.in/ grievanceredressal/ombudsman.htm
RASTA	rasta_k@satyam.net.in	
Sakhi	sakhi@md2.vsnl.net.in	www.sakhikerala.org
Santhigram	santhigram@vsnl.net	
SDC	delhi@sdcc.net	www.sdccindia.in
SDC-CapDeck	capdeck@asianetindia.com	www.sdccapdeck.in
SEDS	sed1@sify.com	www.sedskerala.org
SEWA	sewakerala@sify.com	
Shreyas	info@shreyas.org	www.shreyas.org
State Election Commission Kerala	electionker@sify.com	www.electionker.org/
State Institute of Rural Development Kerala	qin@sancharnet.in	www.sird.kerala.gov.in/
Town and Country Planning Department	ctpkeralam@yahoo.co.in	www.townplanning.kerala.gov.in/

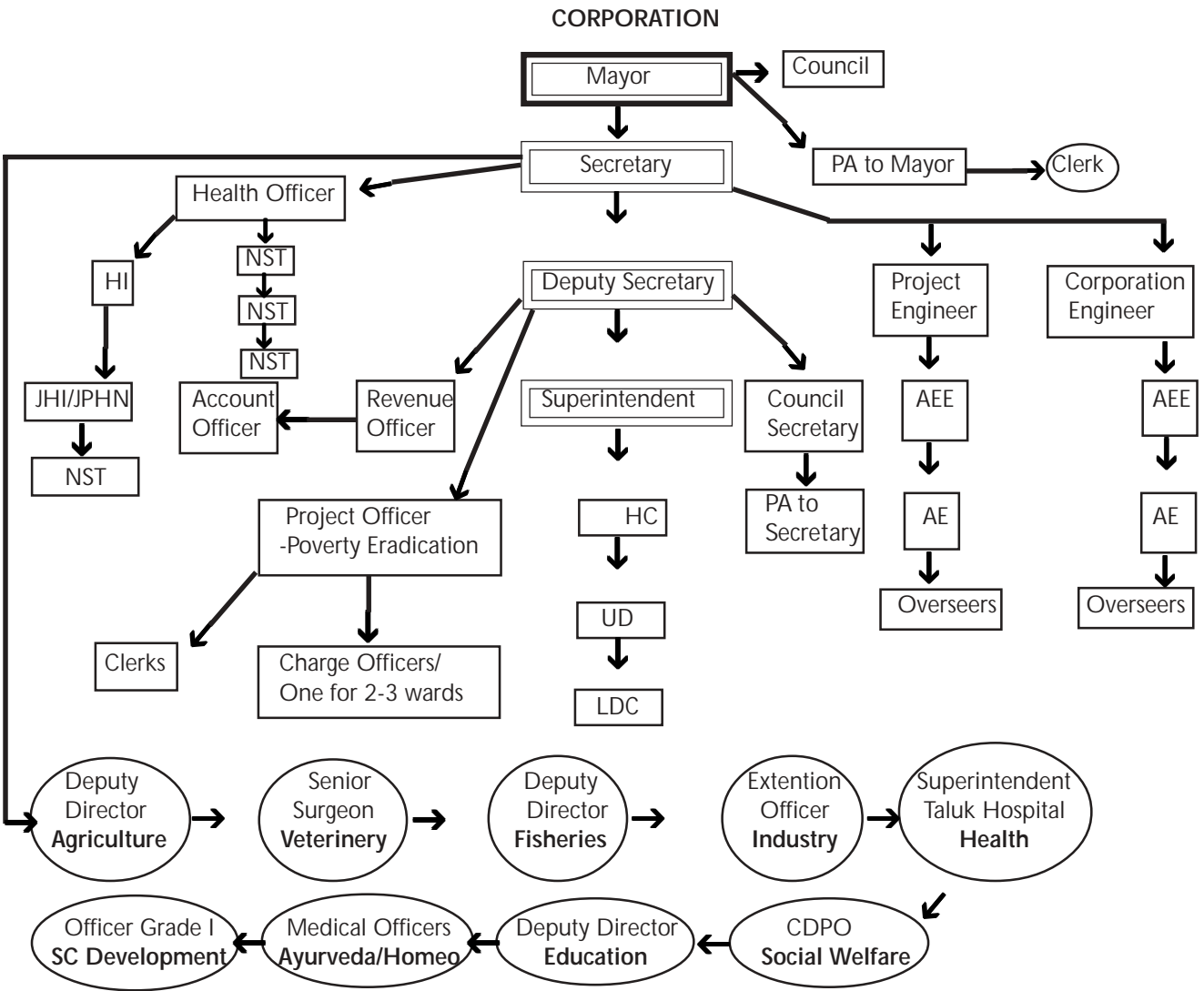
ACKNOWLEDGEMENT

This book contains contents many of which were adapted from the lectures, presentations and notes by Mr. S.M. Vijayanand, Dr. George Mathew, Dr. Thomas Isaac and Dr. Jos Chathukulam. Mr. K. Rajasekharan provided me with information on various websites, e-mail IDs and books. Mr. Madan Mohan K.B., my colleague at SDC-CapDeck PCU prepared the various charts and flow diagrams. Mr. G.S. Nair and Dr. Joy Elamon were always been the sources of inspiration and they helped me in editing the book. This book owes a lot to the Kerala Institute of Local Administration (KILA), SDC-CapDeck partner organisations and Panchayats, as it is their efforts that contributed to the success of the CapDeck Programme. My heartfelt thanks are due to all of them.

CHART: HISTORICAL PERSPECTIVE - KERALA & INDIA

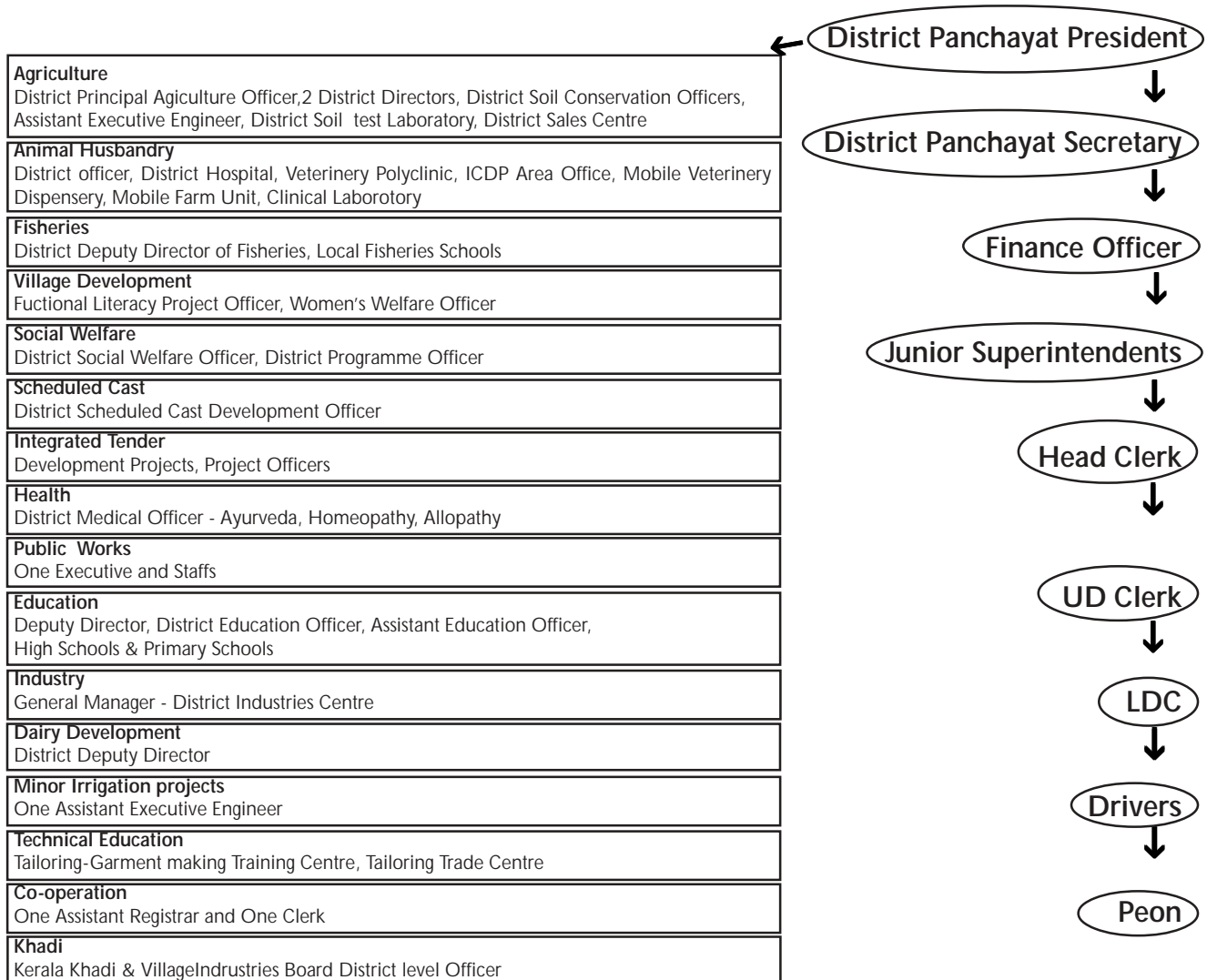


ADMINISTRATIVE SYSTEM



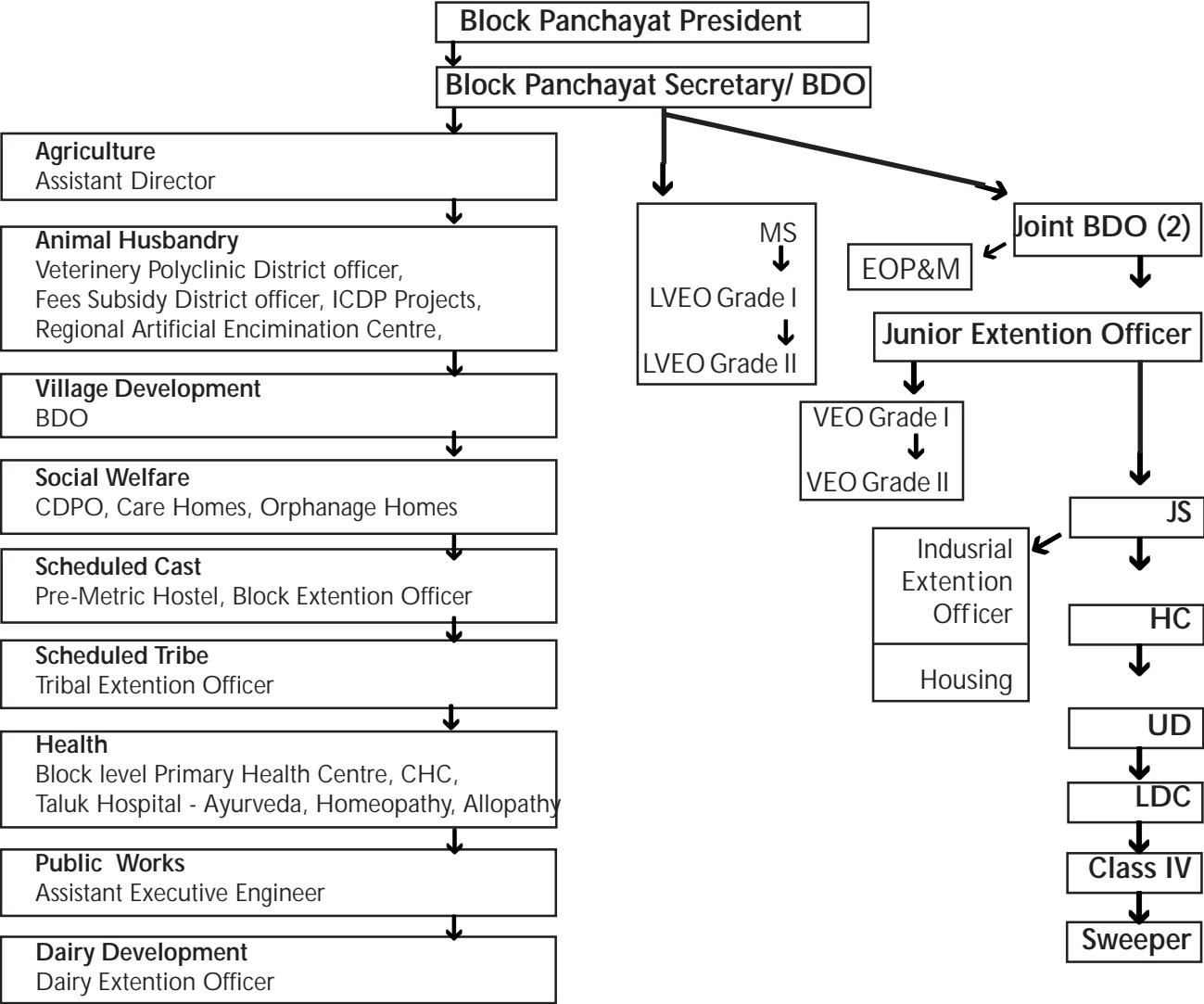
ADMINISTRATIVE SYSTEM

DISTRICT PANCHAYAT



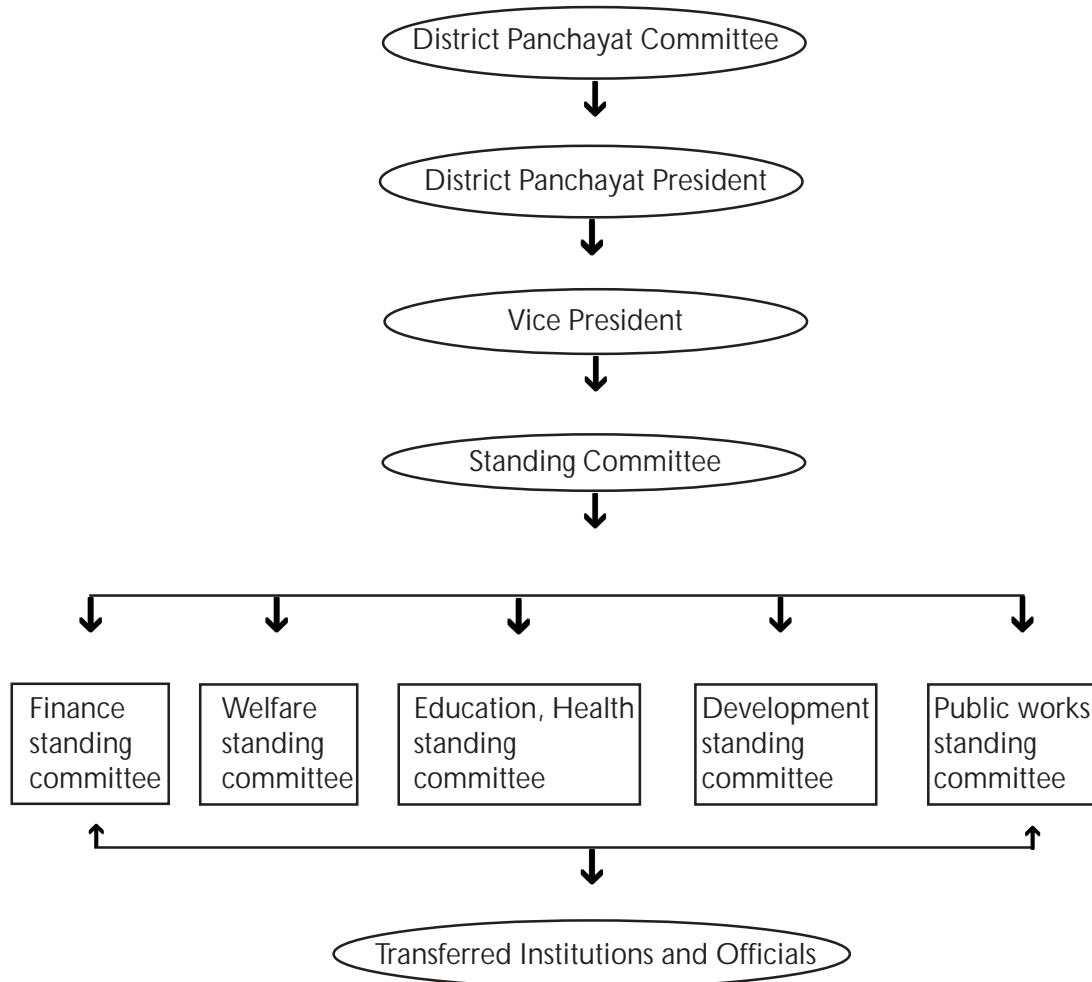
ADMINISTRATIVE SYSTEM

BLOCK PANCHAYAT



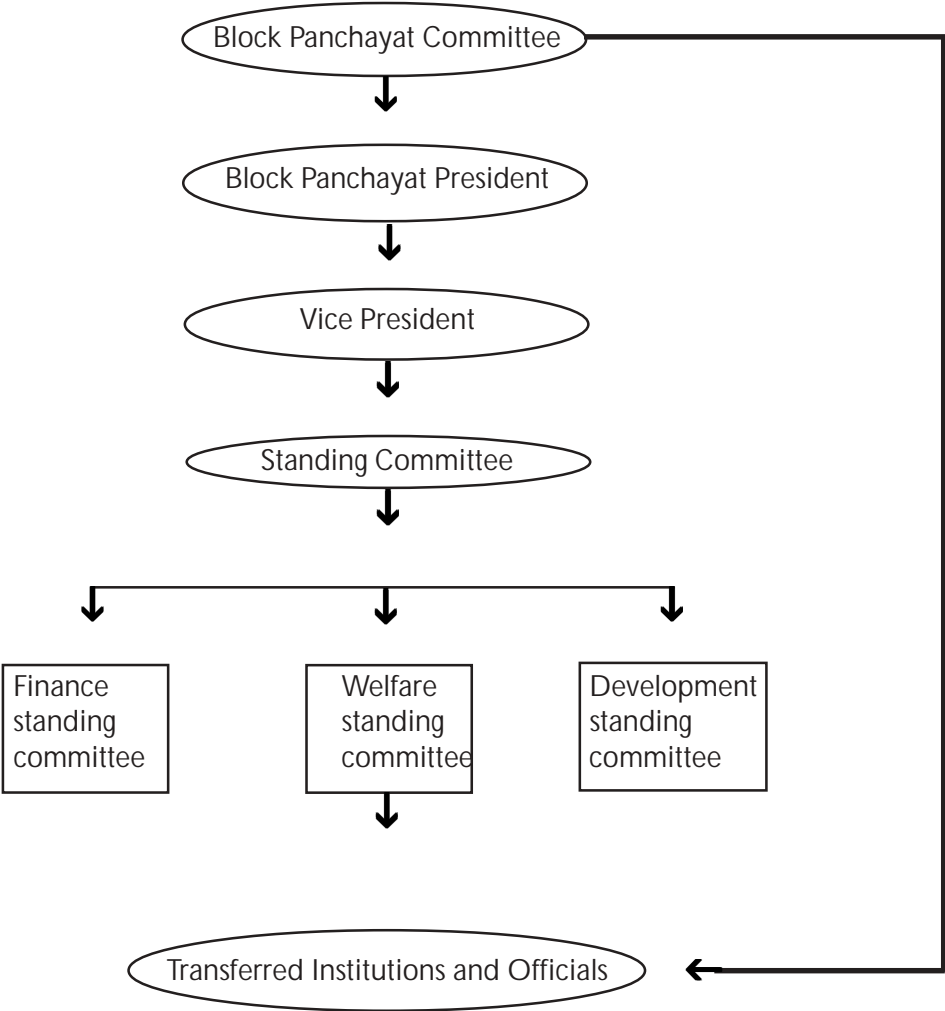
ORGANISATIONAL CHART

District Panchayat -Functionaries



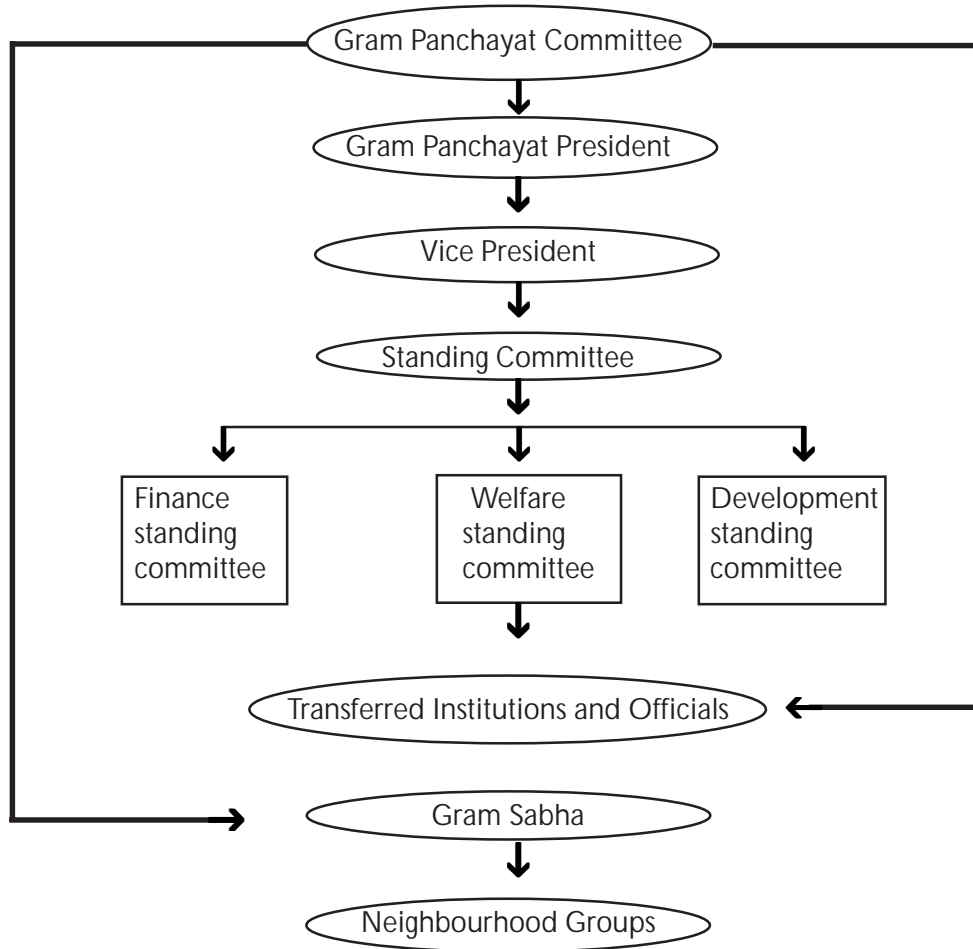
ORGANISATIONAL CHART

Block Panchayat - Functionaries



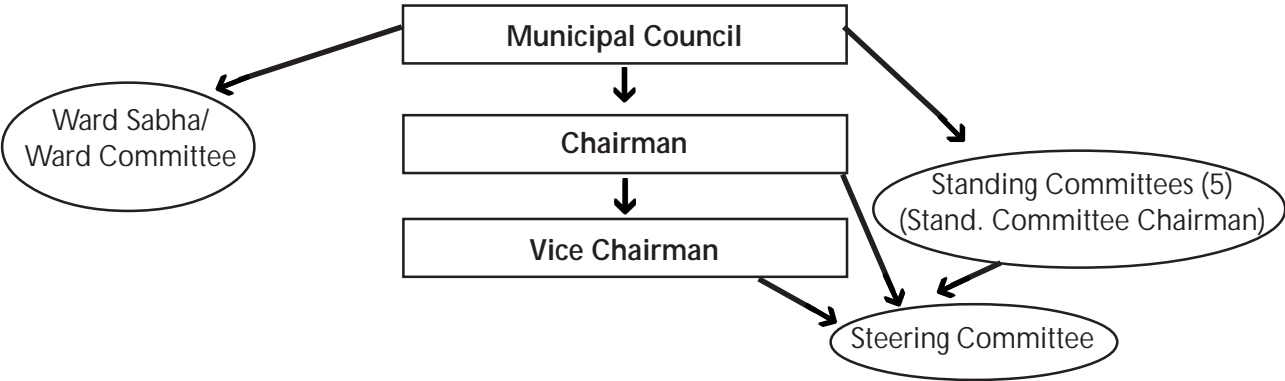
ORGANISATIONAL CHART

Gram Panchayat - Functionaries



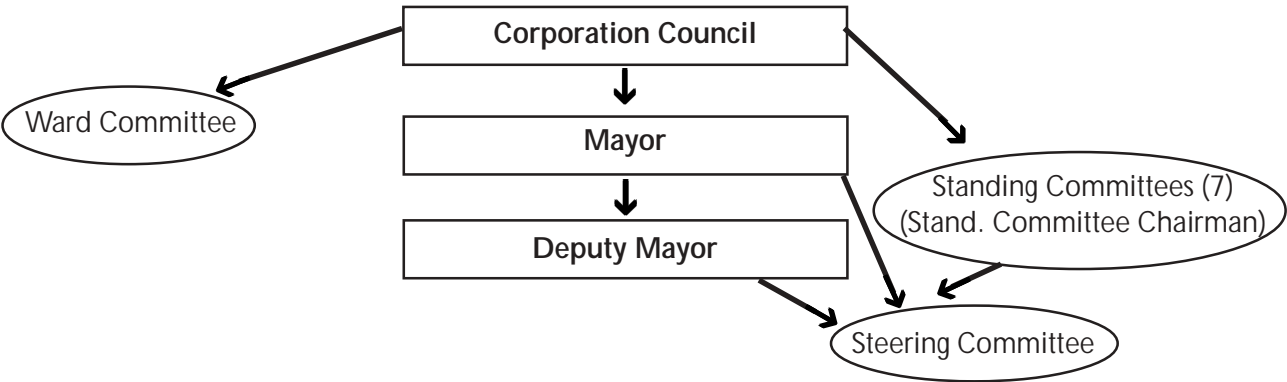
ORGANISATIONAL CHART

Municipality - Functionaries



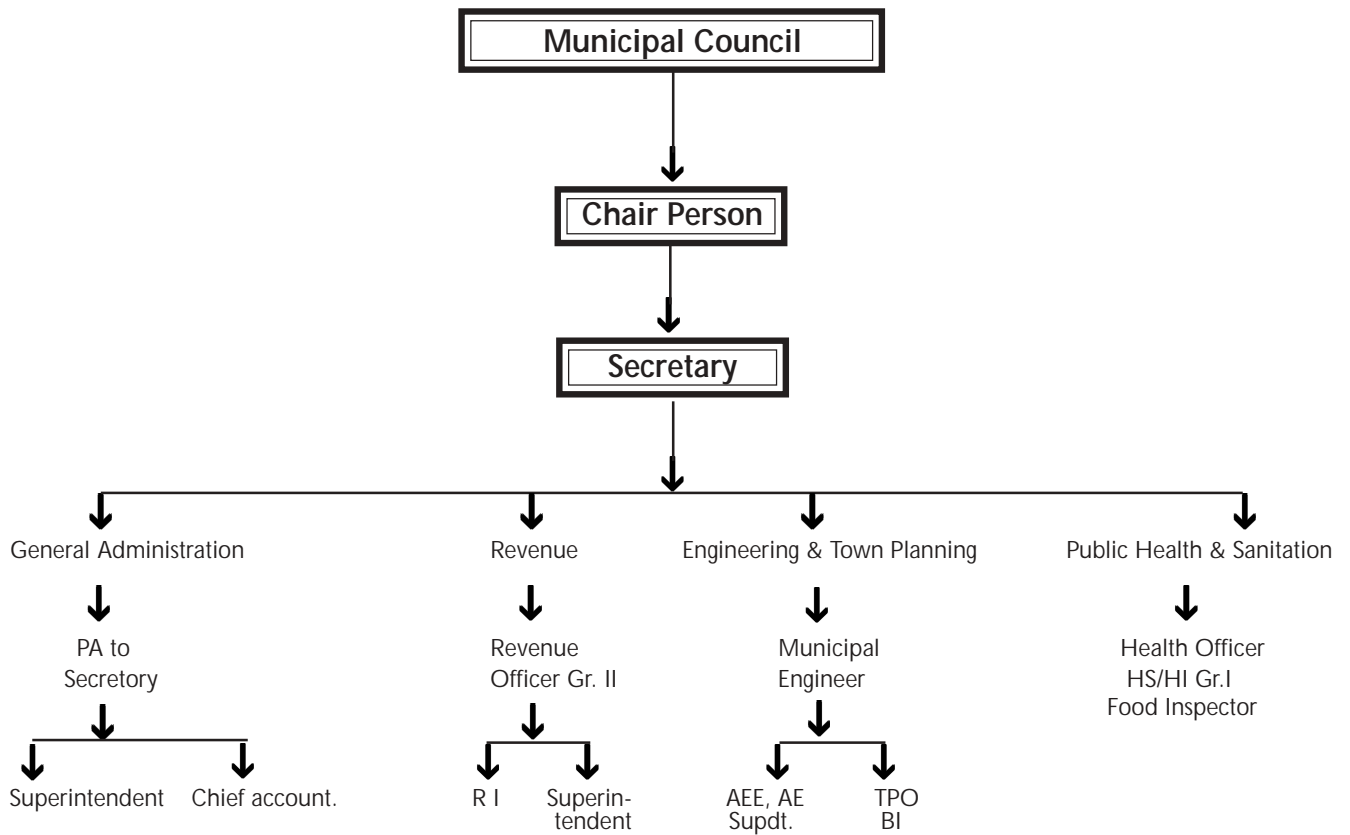
ORGANISATIONAL CHART

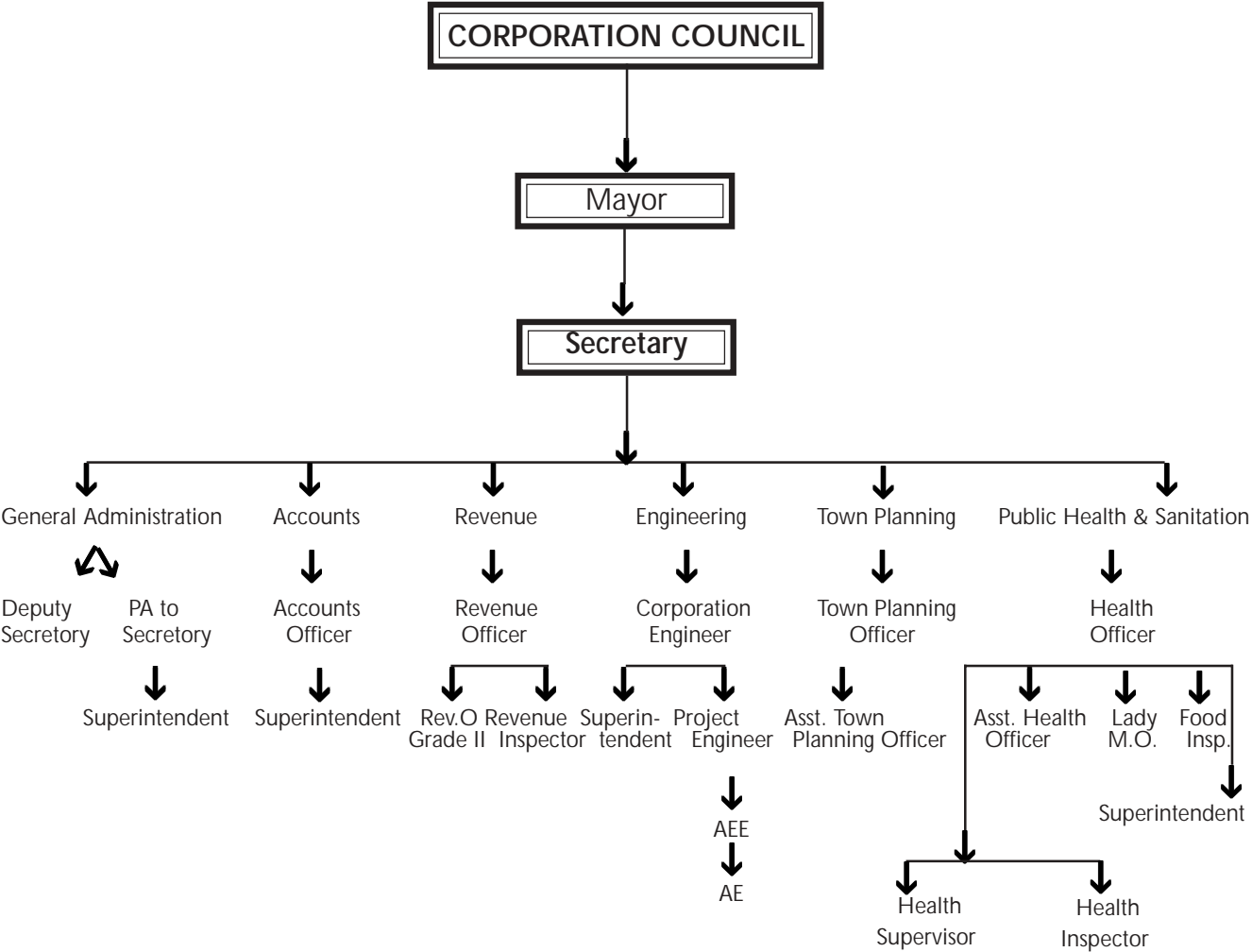
Corporation - Functionaries



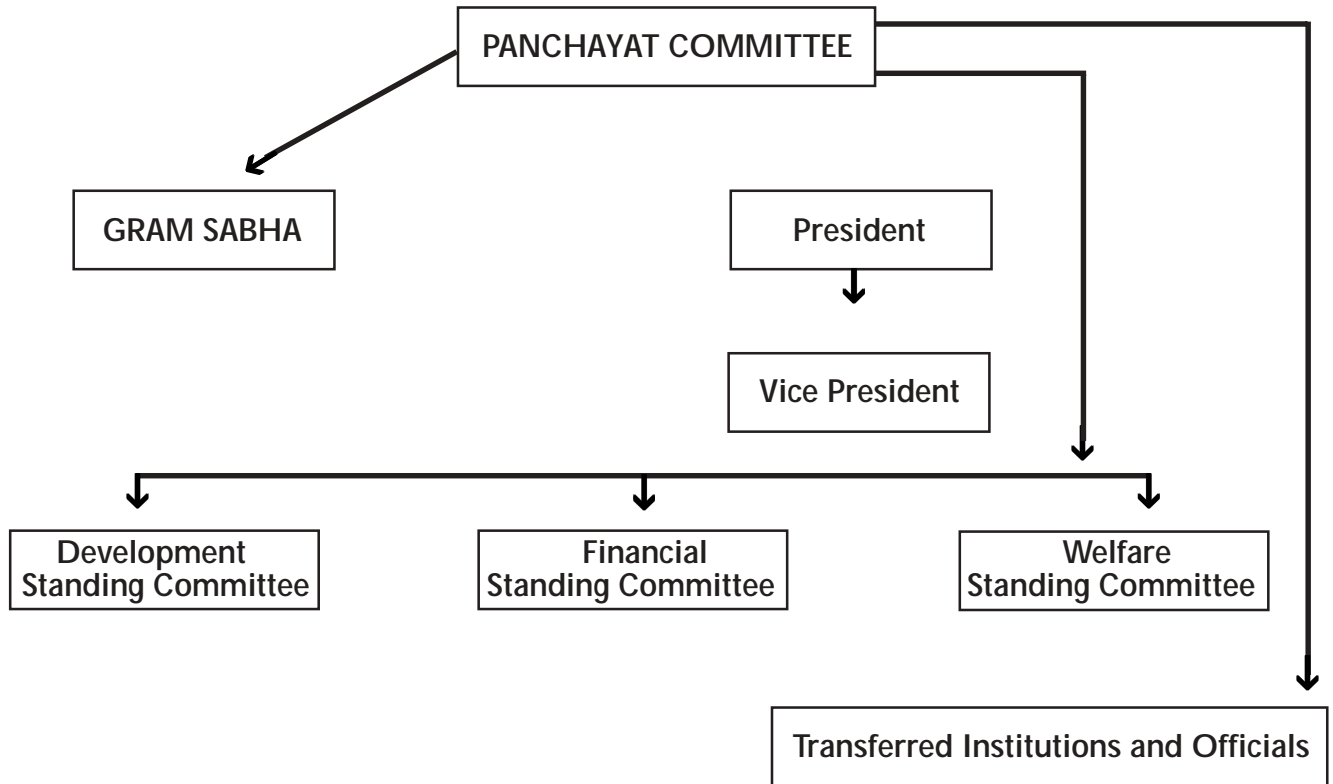
ORGANISATIONAL CHART

B. STAFF PATTERN

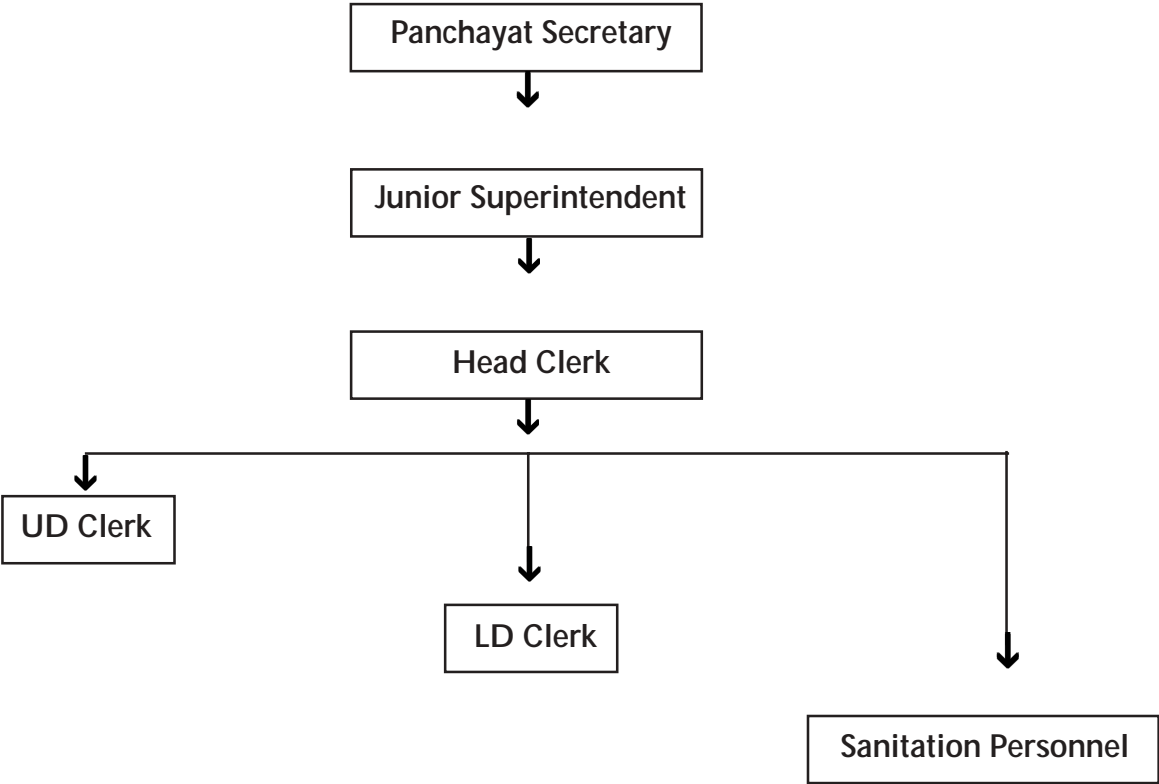




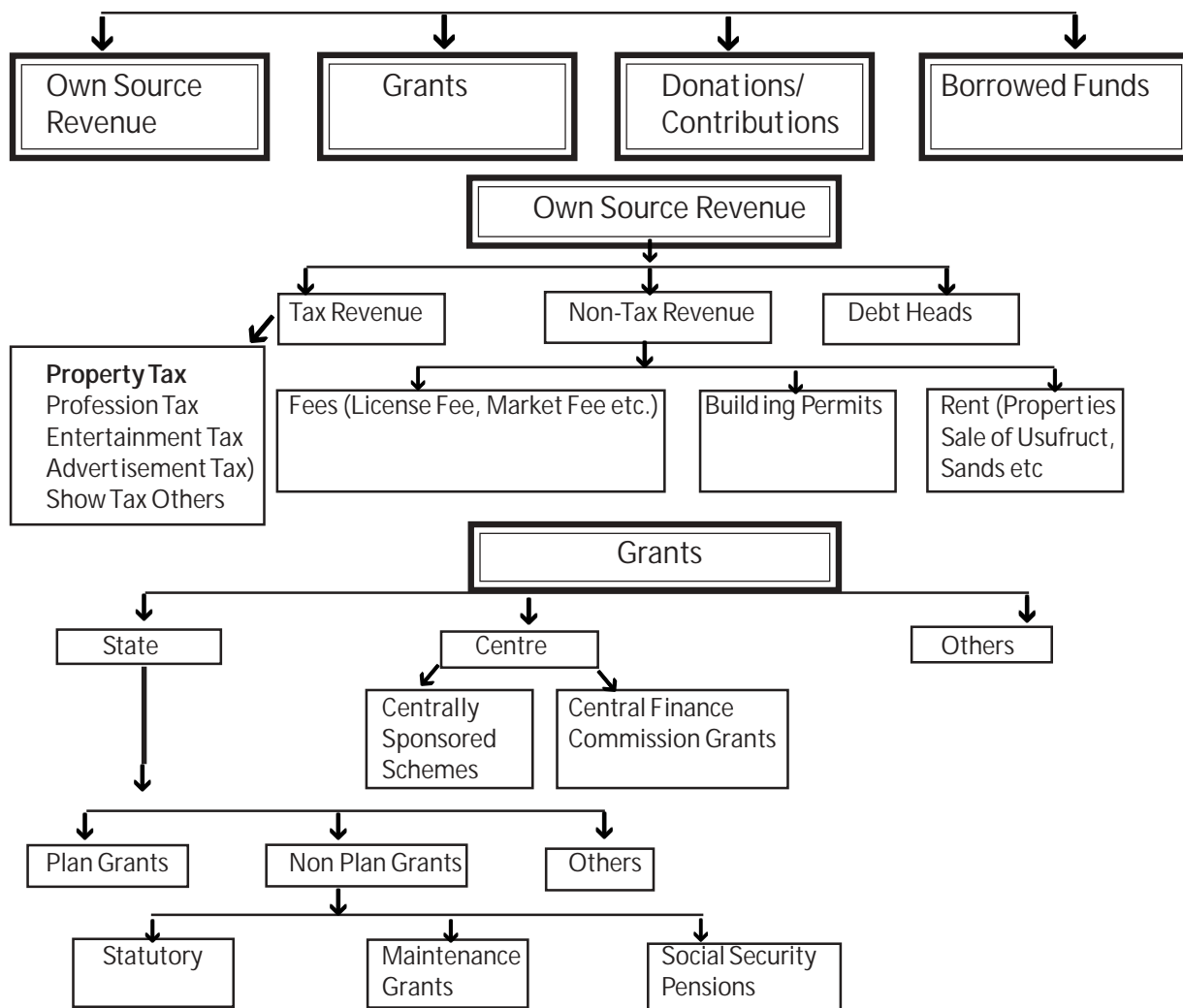
GRAM PANCHAYAT GOVERNANCE SYSTEM

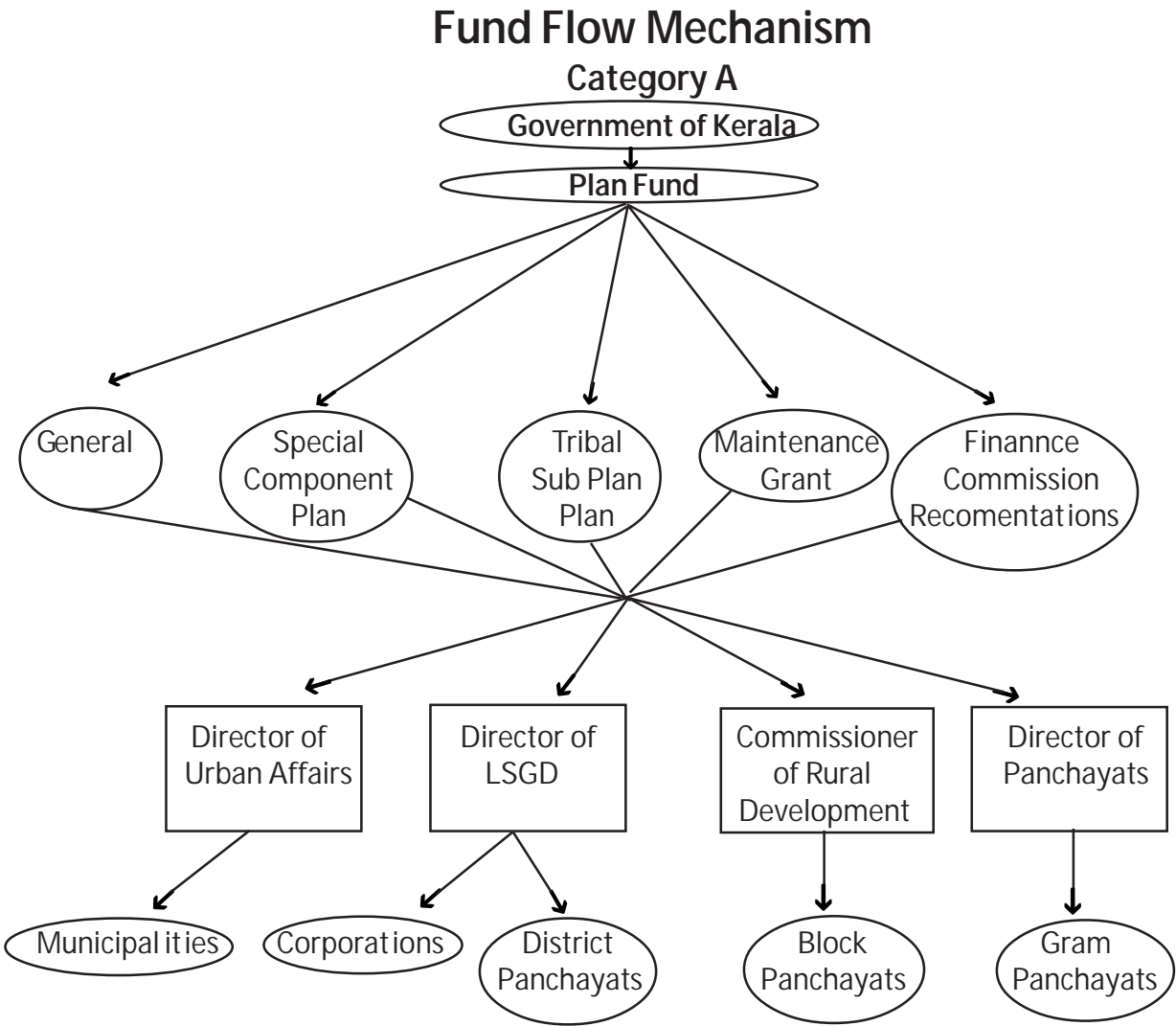


GRAM PANCHAYAT OFFICE SYSTEM

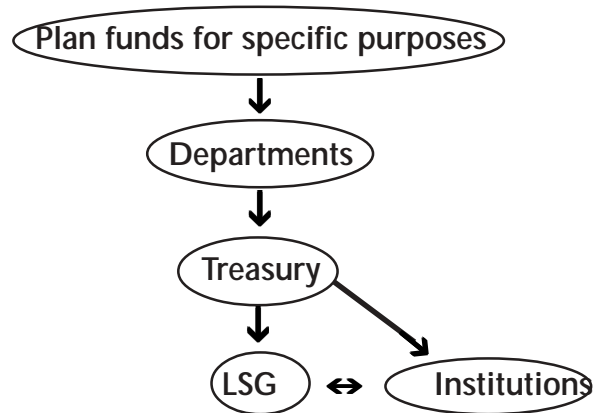


The Resources

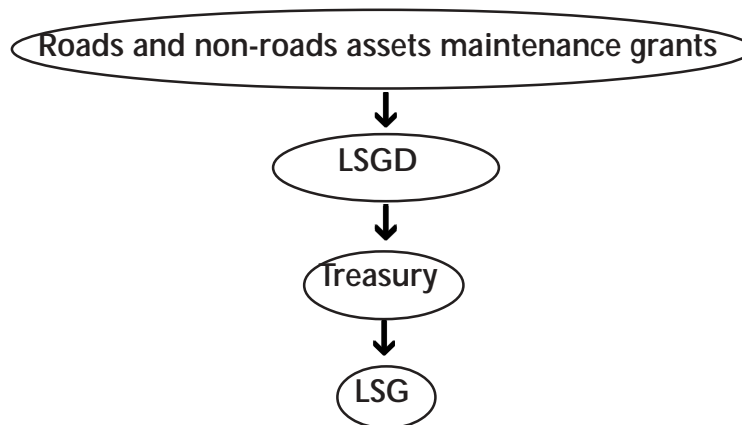




Category B



Category C



Category D

General Purpose Grant

For traditional functions of local governments

Wages, honorarium, rent, electricity, water charges, telephone charges, printing etc.

Category E

Funds received from/through Government of India

Centrally sponsored schemes like SGRY, SGSY, IAY, IHSDP, NREGS, Total Sanitation, Literacy, Other poverty alleviation programmes

Programmes and projects supported by the World Bank, ADB, UNDP etc.

Flood/drought relief

Category F

Beneficiary contribution, own fund of local governments

Category G

Different Loans

SDC CapDeck

The Swiss Agency for Development and Cooperation (SDC) is Switzerland's international cooperation agency within the Federal Department of Foreign Affairs (FDFA). SDC supports sustainable development and seeks to improve the living conditions and quality of life of disadvantaged people in the South and East.

In India, starting with technical collaboration in livestock improvement in Kerala in 1963, SDC extended its activities to other geographical areas and to other fields such as natural resource management, rural finance and employment, rural energy and housing, decentralisation and local governance, empowerment and social justice, human and institutional strengthening and humanitarian aid.

SDC has been cooperating in these fields with a variety of partners, notably community based organisations, non-governmental organisations, research and education institutions, central, state and local governments.

CapDeck – the Programme of SDC on capacity development for decentralisation in Kerala - was conceptualised to support capacity building for the democratic decentralisation process in Kerala.

As part of this, SDC collaborates with the Kerala Institute of Local Administration (KILA). Starting with the support for the transition from a campaign mode of capacity building to an institutionalised form, the KILA-CapDeck project developed a decentralised training system under the leadership of KILA and platforms for sharing and exchanging experiences and suggestions on decentralisation.

The CapDeck Programme also supports people driven and people centred decentralised democratic governance by empowering the citizens and their democratic bodies to play a more pro-active role in local development. Strengthening Gram Sabhas, developing Panchayats as real institutions of local governance, motivating CBOs and other institutions for strengthening Panchayati Raj, mainstreaming gender in decentralisation and empowering the marginalised through Panchayati Raj form the broad framework on which the local initiatives under the CapDeck's Panchayati Raj Empowerment component are designed and implemented. These interventions are carried out through Panchayats, NGOs, academic institutions, local government associations, Kudumbashree Mission, State Women's Commission and other civil society organisations.