

O.I.H.

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 2487
TO BE ANSWERED ON AUGUST 03, 2023
REFORMS OF URBAN LOCAL BODIES**

NO. 2487. SHRIMATI REKHA VERMA:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether there is a need of reforms in the institutional and individual capacities of local urban bodies;**
- (b) if so, the initiative proposed to be taken by the Government in this regard; and**
- (c) the details of efforts made/being made by the Government to promote think tank and Centre of Excellence to provide input for urban policy development and analysis?**

ANSWER

**THE MINISTER OF STATE IN THE
MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI KAUSHAL KISHORE)**

(a) & (b): Yes, Sir. Under Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 reform agenda, the following mandatory and incentive-based reforms are to be achieved by the States and Urban Local Bodies (ULBs):-

Reform Type	Reform Name	
Mandatory Reforms	1	Reform On Property Tax
	2	Reform on User Charges
Incentive-based Reforms	3	Implementation of Urban Reforms
	4	Online Grievance redressal and municipal service delivery
	5	Water body rejuvenation
	6	GIS based mapping for Property Tax collection
	7	Efficient Urban Planning through Local Area Plans (LAP) and Town Planning Schemes (TPS)
	8	Reduction in Non-Revenue Water (NRW) to below 20%
	9	Recycle/ Reuse of treated used water

The Ministry proactively organizes and imparts online/ physical training sessions for capacity building of Urban Local Bodies on implementation of AMRUT 2.0 Reforms and skill enhancement to efficiently operate online portals. Till now, 21 states and UTs have been covered under these workshops. The Ministry has also conducted a regional workshop on property tax reform to train officials of Urban Local Bodies for improving municipal finances.

Scheme for Special Assistance to States for Capital Investment 2022-23 issued by Department of Expenditure, Ministry of Finance, earmarked an amount of Rs.6,000 crore for improving and speeding up basic urban planning ecosystem in cities – in which MoHUA had recommended the below reforms to be implemented by States:

S.No.	Reform Component
1	Modernization of Building Bylaws
2	Adoption of Transferrable Development Rights (TDR)
3	Implementation of Local Area Plans (LAP) and Town Planning Schemes (TPS)
4	Implementation of Transit-oriented Development (ToD)
5	Creation of Sponge Cities
6	Removing Taxation for running the Buses for Public Transport

Based on the recommendations of MoHUA, Department of Expenditure (DoE), Ministry of Finance disbursed an amount of Rs. 4093.16 crore to eligible States.

The Scheme for Special Assistance to States for Capital Investment 2023-24 (Part III-Urban Planning Reforms) issued by Department of Expenditure, Ministry of Finance, earmarks an amount of Rs.15,000 crore. The reforms this year have been widened by including more cities. The reform components include:

S.No.	Reform Component
1	Augmentation of Human Resources for Strengthening Capacities at State and ULB level
2	Implementation of Town Planning Schemes (TPS)/ Land Pooling Scheme
3	Modernization of Building Bylaws
4	Promoting Affordable Housing and In-situ Slum Rehabilitation
5	Transit-oriented Development for Ease of Mobility
6	Transferrable Development Rights as a Planning Tool
7	Strengthening Natural Ecosystems of Urban Areas through Urban Planning
8	Integrating essential components in Master Plans

The Scheme for Special Assistance to States for Capital Investment 2023-24 (Part IV-Financing Reforms in Urban Local Bodies to make them creditworthy for Municipal Bonds and for Issue of Municipal Bonds) issued by Department of Expenditure, Ministry of Finance, earmarks an amount of Rs.5,000 crore. The scheme provides financial assistance in the form of 50-year interest-free loan will be available to States upon achieving the following milestones:

Milestone No.	Milestone Name
1	Preparation of roadmap for property tax governance reforms for all stages of property tax implementation
2	Improvement in property tax rates and collections
3	User charges reforms
4	Ring-fencing of property tax and user charges towards pooled municipal bond issuances for long tail of smaller ULBs

(c): Yes, Sir. In Budget 2022-23, Government of India has announced the creation of 5 Centres of Excellence in Urban Planning and Design in different regions of the country. Guidelines in this regard were issued in September, 2022. 28 academic institutions have submitted their proposals to MoHUA. An Expert Committee comprising senior officials of MoHUA, Deptt. of Higher Education, NITI Aayog and domain experts has been constituted. The systematic evaluation of the proposals as per guidelines is under process. Once selected, these centres will be provided an endowment fund of Rs 250 crore each.

Another key initiative towards providing input for urban policy development and analysis is creation of a Centre of Excellence for urban sanitation and waste management. MoHUA has established a dedicated CoE at IIM-Indore to scale up academic collaborations for high quality R&D, impact assessments and studies on emerging focus areas and themes of Swachh Bharat Mission-Urban (SBM-U) 2.0. The CoE has undertaken training of 1,200 officials via Offline capacity building trainings; 1,200 officials via blended learning modules; and 5,000 officials via e-learning modules since its establishment. It is producing research and knowledge products for the urban sanitation and waste management sector in India. It is also establishing closer linkages/ undertaking collaborative projects with the industry/ private sector and ULBs for leveraging best practices and success models.