

Public Policies and Investments for the Welfare of Children in Urban Poverty in India

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Study Team

Amar Chanchal, Happy Pant, Manjur Ali, Protiva Kundu

Editorial inputs

Payal Dey

For comments and suggestions, please write to us at: happy@cbgaindia.org

Designed by:

Common Sans, 1729, Sector 31, Gurgaon, Haryana

Centre for Budget and Governance Accountability

B-7 Extn./110 A (Ground Floor), Harsukh Marg,

Safdarjung Enclave, New Delhi - 110029

Ph: +91-11- 49 200 400 / 401 / 402, Fax: +91-11- 4050 4846

email: info@cbgaindia.org

Website: www.cbgaindia.org

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Contents

	List of Abbreviations	02
	List of Tables, Figures and Boxes	04
Chapter 1	Introduction	09
Chapter 2	Analytical Overview	18
Chapter 3	Review of Union Government's Programmes from the Lens of Children Living in Slums	25
Chapter 4	Review of Public Investments in Odisha	48
Chapter 5	Review of Public Investments in (undivided) Andhra Pradesh	60
Chapter 6	Review of Public Investments in Maharashtra	81
Chapter 7	Review of Public Investments in Madhya Pradesh	104
Chapter 8	Concluding Observations and Recommendations	119
Chapter 9	Annexure: Recent Policies and Interventions for Urban Areas	125
	References	

List of Abbreviations

ACE	Action for Children's Environment
BMC	Bhopal/ Bhubaneswar Municipal Corporation
BSUP	Basic Service for Urban Poor
CBO	Community Based Organisation
CDP	City Development Plan
CRC	Community Resources Center
DPR	Detailed Project Report
DRP	Dharavi Redevelopment Project
EIUS	Environmental Improvement in Urban Slums
FYP	Five Year Plan
FRBM	Fiscal Responsibility and Budget Management
HH	Household
HMWS&SB	Hyderabad Metropolitan Water Supply & Sewerage Board
ICDS	Integrated Child Development Services
ICPS	Integrated Child Protection Scheme
IEC	Information, Education and Communication
IHSDP	Integrated Housing & Slum Development Programme
INDIRAMMA	Integrated Novel Development in Rural Areas and Model Municipal Areas
JJ	Juvenile Justice
JNNURM	Jawaharlal Nehru National Urban Renewal Mission
MDM	Mid-Day Meal
MoHFW	Ministry of Health and Family Welfare
MHRD	Ministry of Human Resource Development
MoUD	Ministry of Urban Development
MoHUPA	Ministry of Housing and Urban Poverty Alleviation
MoLE	Ministry of Labour and Employment
MPCRC	Multi-Purpose Community Resource Centers
MWCD	Ministry of Women and Child Development

MIS	Management Information System
MSB	Mahila Swasakthi Bhavan
NPEGEL	National Programme for Education of Girls at Elementary Level
NP-NSPE	National Programme of Nutritional Support to Primary Education
NSSO	National Sample Survey Organisation
NULM	National Urban Livelihood Mission
RAY	Rajiv Awas Yojana
RTE	Right to Education
SAP	Slum Adoption Programme
SJSRY	Swarna Jayanthi Sahari Rojgar Yojana
SRA	Slum Rehabilitation Authority
SSA	Sarva Shiksha Abhiyan
TMC	Thiruvananthapuram Municipal Corporation
UEE	Universalization of Elementary Education
UIDSSMT	Urban Infrastructure Development Scheme for Small & Medium Towns
UIG	Urban Infrastructure and Governance
UNCRC	United Nation's Convention on the Rights of the Child
ULB	Urban Local Body
USHA	Urban Statistics for HR and Assessment

List of Tables, Figures and Boxes

TABLES

- Table 1: A Comparison of slum household characteristics across study states (in percent)
- Table 2: Distribution of Slum Population in Cities by different Size groups-2001
- Table 3: Proportions of slums experiencing improvement (I)/deterioration (D) in specific facilities over the last 5 years (in percent)
- Table 4: Impact of Living Condition on Young Children by Their Economic Status: Key Statistics, 2005-06
- Table 5: Description of Schemes for Urban Poor by MoHUPA
- Table 6: Physical and financial progress under JNNURM (March, 2012)
- Table 7: Scheme wise expenditure under JNNURM (in Rs. crore)
- Table 8: Pattern of Union Government spending on child nutrition
- Table 9: Slum population in India, Odisha and BMC, 2011
- Table 10: Expenditure under JNNURM in Odisha (in Rs. crore)
- Table 11: Performance of JNNURM in Quantifiable Deliverables from 2011-12 to 2013-14, Odisha
- Table 12: Investment Requirement for Rehabilitation of Slums in Bhubaneswar City
- Table 13: Budget for Urban Poor under BMC (in Rs. crore)
- Table 14: Budget Allocation for RAY, SJSRY, BSUP and Slum Improvement, BMC (in Rs. crore)
- Table 15: Budget Allocation for Other Schemes for Urban Poor, BMC (in Rs. crore)
- Table 16: Different Sources of Revenue for Municipal Corporation
- Table 17: Demographic Characteristics of Slum Population in India, Andhra Pradesh and GHMC
- Table 18: Expenditure under JNNURM, Andhra Pradesh (in Rs. crore)
- Table 19: Progress of JNNURM in Andhra Pradesh, 2005-2012 (in Rs. crore)
- Table 20: Physical Progress of Selected BSUP Projects in Hyderabad City
- Table 21: Budgetary allocation for MEPMA and Rajiv Awas Yojana, Andhra Pradesh (in Rs. crore)
- Table 22: Budgetary Allocation under INDIRAMMA Programme, Andhra Pradesh (in Rs. crore)

- Table 23: Budgetary Allocation under Scheme of Environmental Improvement in Slum Areas of Municipalities (in Rs. crore)
- Table 24: Other Budgetary Allocation for Urban Poor by Municipal Administration & Urban Development Department, Andhra Pradesh (in Rs. crore)
- Table 25: State Share of Budgetary Allocation under Swarna Jayanthi Sahari Rojgar Yojana (in Rs. crore)
- Table 26: Share of Slum Development in Greater Hyderabad Municipal Corporation Budget, (in Rs. crore)
- Table 27: Types of Expenditure (Revenue and Capital) on Slum Development, GHMC (in Rs. crore)
- Table 28: Detail of Revenue Expenditure on Slum Development, GHMC (in Rs. crore)
- Table 29: Capital Expenditure on 'Housing' and other heads under Slum Development, GHMC (in Rs. crore)
- Table 30: Capital Expenditure on Roads and other Infrastructure under Slum Development, GHMC (in Rs. crore)
- Table 31: Capital Expenditure on 'Drainage and Water Supply' under Slum Development, GHMC (in Rs. crore)
- Table 32: Capital Expenditure on 'Parks and Playgrounds' under slum development, GHMC (in Rs. crore)
- Table 33: Key indicators of urban slums in Maharashtra and India (in percent)
- Table 34: Region-wise Incidence of Child Poverty across social groups in Urban sector, Maharashtra (in percent)
- Table 35: Allocations for Services to Urban Poor under different departments of MCGM (in Rs. crore)
- Table 36: Budgetary Allocations for various development indicators to Urban Poor by MCGM (in Rs. crore)
- Table 37: Allocations made by Maharashtra Urban Development Department for Mumbai (in Rs. crore)
- Table 38: Summarised Expenditure on Electricity Supply & Transport by Brihanmumbai Electricity Supply and Transport (in Rs. crore)
- Table 39: Allocations made by Housing Department of Maharashtra for Slums and Urban Poor (in Rs. crore)
- Table 40: Expenditure on Slum Clearance and Improvement under Budget B, Fund Codes 22 & 23 by MCGM (in Rs. crore)
- Table 41: Major Works under Ashray Yojana by MCGM (in Rs. crore)
- Table 42: Allocations made by Women & Child Development Department to Children schemes in Maharashtra (in Rs. crore)

- Table 43: Percentage of Dietary charges against total allocation under BSY
- Table 44: Schemes for Urban Poor under State Public Health Department, Maharashtra (in Rs. crore)
- Table 45: Water Supply Scenario in Mumbai
- Table 46: Allocations made by Water Supply and Sanitation Department to Urban Poor, Maharashtra (in Rs. crore)
- Table 47: Projects sanctioned and completed under UI&G of JNNURM in Greater Mumbai (in Rs. crore)
- Table 48: Allocations for Children and Urban poor by Department of Urban Administration and Development, Madhya Pradesh (in Rs. crore)
- Table 49: Scheme-wise allocations by department of urban administration and development, Madhya Pradesh (in Rs. crore)
- Table 50: Financial Help to ULBs by Department of Urban Administration and Development, Madhya Pradesh, (Normal) (in Rs. crore)
- Table 51: Expenditure on Urban Poor in various schemes, BMC (in Rs. crore)
- Table 52: Expenditure on Water Provisioning to Urban Poor, Bhopal Municipal Corporation (in Rs. crore)
- Table 53: Expenditure on Toilets for Urban Poor, Bhopal Municipal Corporation (in Rs. crore)
- Table 54: Scheme-wise Allocation for Urban Poverty Alleviation, BMC (In Rs. crore)
- Table 55: Allocation and Expenditure for urban poor under head 80 (Other Functions) by BMC (in Rs. crore)
- Table 56: Scheme-wise Allocation under Housing, BMC (in Rs. crore)
- Table 57: Progress Report of Projects under BSUP in Bhopal * (in Rs. crore)
- Table 58: Number of Families displaced due to JNNURM project

FIGURES

- Figure 1: Direct and Indirect intervention by the government for improving life of children in urban poverty
- Figure 2: Population Structure - 2011
- Figure 3: A comparison of household characteristics of non-slum households and slum households-2011 (in percent)
- Figure 4: Decline in number of poor (in million): Rural vs Urban
- Figure 5: Distribution of housing shortage by type of house and economic status of household (in percent)

- Figure 6: Combined Share of BSUP, IHSDP and RAY expenditure in total JNNURM expenditure (in percent)
- Figure 7: Pattern of spending on urban poor (in percent)
- Figure 8: Allocations (BE) for child health as share of Total Child Budget (in percent)
- Figure 9: Allocation and expenditure for child protection as a share of total allocation and expenditure for child welfare by MWCD (in percent)
- Figure 10: Share of urban population in India and Odisha (1971-2011)
- Figure 11: Demographic Comparison of India, Odisha and Bhubaneswar Municipal Corporation, 2011
- Figure 12: Type of Structure and Condition of Slum Houses in Odisha
- Figure 13: Basic Amenities in Slum Households in India and Odisha
- Figure 14: Share of urban population in India and Andhra Pradesh, 1971-2011 (in percent)
- Figure 15: Proportion of Slum Households to Urban Households (in Percent)
- Figure 16: Size (members) of the Slum Household in Andhra Pradesh and India (in percent)
- Figure 17: Condition of Slum Houses and Type of Structure in Andhra Pradesh and India (in percent)
- Figure 18: Location of Drinking Water for Slum Household (in percent)
- Figure 19: Source of Drinking Water for Slum Household (in percent)
- Figure 20: Slum Households by Availability of Toilet Facility (in percent)
- Figure 21: Expenditure Share of sub-Missions under JNNURM, Andhra Pradesh (in percent)
- Figure 22: A comparison of household characteristics of non-slum households and slum households in Madhya Pradesh-2011 (in percent)
- Figure 23: Budgetary Allocations/Expenditure under National Livelihood Mission (Urban)/ SJSRY (in Rs. crore)

BOXES

- Box 1: Union Govt. Ministries and State Govt. Departments Studied
- Box 2: Municipal Corporations Studied
- Box 3: Slums and Public Policy Challenges
- Box 4: Data gaps result in exclusion of Urban Poor from urban planning
- Box 5: Slums serviced by JNNURM and RAY
- Box 6: Factors constraining fund utilization
- Box 7: Data discrepancy on number of slums: Census vs. NSS

-
- Box 8: Interventions for slum and children in various Union Government schemes for urban poor
 - Box 9: Child-Friendly Cities Initiative (CFCI)
 - Box 10: Child friendly housing project to the families of Brick Kiln workers in Andhra Pradesh - Implemented by Aide et Action with the support of Bernard Van Leer Foundation (BvLF)
 - Box 11: Sustained Finance Reforms for Optimal Resource Mobilization (Ahmedabad Municipal Corporation, Gujarat)
 - Box 12: Resource Mobilization for up gradation of School Infrastructure (Greater Visakhapatnam Municipal Corporation, Andhra Pradesh)
 - Box 13: Families Living without Electricity
 - Box 14: Faulty Slum Survey in Bharatnagar, Mumbai
 - Box 15: Issues & Challenges in Rehabilitated Slum, Kanhasaiya
 - Box 16: DPR of Kalpana Nagar (2011)

Chapter 1

Introduction



Introduction

Although the focus of poverty-related discussions in the past has mostly been on rural areas, with a growing influx of people into big cities, the need to pay more attention to poverty in cities has been increasingly recognised. The need has risen further due to serious environmental and health problems which are increasingly identified with big cities and to which the poorer sections of these cities are most exposed. Burgeoning migration is yet another important reason for looking at problems of the urban poor more carefully as the migrating population in particular is very vulnerable – it faces more problems, is less prepared to handle them and at the same time is likely to have the least access to most welfare measures.

While various aspects of urban poverty deserve a detailed attention, the issues relating to public policy and investments are particularly important; neglecting any one of them can result in spirals of problems. If government policy is responsive towards the poor, it is likely (although not definite) that this will be reflected in the design of programmes and schemes targeted for these sections, as well as in allocation of resources for these made through the budgets. For this, , more so in a situation of constrained fiscal space, it is also necessary that the priorities of welfare of the urban poor are articulated well and understood properly. In this context, research studies which can help in proper understanding of the right priorities can play an important role. Also through evaluation of the performance of existing schemes, such studies can play an important role in understanding whether or not the right priorities are being pursued in an efficient way, and what kind of changes are needed to ensure that correct priorities are drawn up and implemented properly.

While this is true generally for all aspects of urban poverty, this is true most of all for those sections of urban poor who are not empowered enough owing to various limitations for making themselves heard in policy making. We are speaking here about children and more particularly, the smaller children. Clearly, their needs are very important, and yet generally, they do not get the deserved attention. Instead, at times they suffer from alarming neglect.

It is evident that children living in conditions of urban poverty, like in slums can be very vulnerable to a wide range of challenges. The overall milieu including social and economic conditions experienced by them are very different from what is required for healthy growth of children; quite often the prevailing conditions may be the opposite of what is needed. Hence the need for proper welfare measures to be in place is particularly high in the context of these children. This points to the importance for generating analysis to help articulate and advocate for proper policies in the context of urban poor children. ,the need is also for evaluating the existing policies and programs understand the gaps, in order to inform policy and improving the practice of planning in the context of children living in abject poor conditions within slums lacking all basic services.

Slums are the most evident and commonly acknowledged clusters of urban poor dwellings though these are not the only abodes of the disadvantaged people in cities, as many of them survive in non-descript dwellings scattered all over the city. Most urban dwellers and migrants living in such settlements are often missed out in urban statistics, remain invisible and are denied recognition by the authorities.

The policy response to challenges in urban areas came in the form of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), launched by the UPA Government in 2005; and Smart Cities Mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Housing for All schemes initiated by the present government at the Centre. These schemes are meant to provide basic services to urban poor by integrating these settlements with municipal supply networks.

It is critical to look into the policy framework and understand how well the policies and schemes for urban poverty alleviation at the Central, State and Municipal level recognize the rights, needs and challenges of young children with regard to their physical environments. Examining the magnitude of public investments for young children under such schemes and interventions is also important to gauge how it is aligned with the priorities of the government.

In this context, this study examining the responsiveness of policies and budgets to the needs and challenges of children living in urban poverty, during the period of JNNURM (i.e. 2009-10 to 2013-14) has some important insights to offer. It presents key observations and lessons from an in-depth analysis of policy and budgetary priorities for urban poor in general and slum children in particular, at the national, state and local government levels during 2009-10 to 2013-14. It also attempts to assess the extent to which the new policy framework for urban areas has recognised challenges that persist in India and makes a set of recommendations for the policy framework for urban areas, budgeting of schemes and interventions by different levels of governance as well as the process of implementation of schemes relevant for urban poor and children living in slums.

Objectives

The study tries to understand the physical environments that characterize the slums in our country where a sizable number of young children are growing up, analyse the government's role in addressing the problems confronting children living in slums, identify the gaps in specific government policies and budgets, and recommend policy changes for improving the living conditions of marginalized urban children of age group 0-8 years .

In order to develop an in-depth understanding along these lines, the study examines government policies and schemes for urban poor focused on shelter, clean water, sanitation, electricity and other basic services and their responsiveness to children; analyses budgetary resources of relevant Ministries of the Union Government, State Government Departments and Municipal Corporations (of the capital cities) in select States; and identifies gaps in the implementation of existing policies and schemes meant for urban poor.

Methodology

The complexity in urban governance in India is exaggerated by multiplicity of government institutions that bear the responsibilities at three tiers viz. Union Government, State Governments and Urban Local Governments (or Urban Local Bodies, the ULBs). To provide a more holistic synthesis of the problem, this analysis takes into account the Union Budget, Budgets of four States and the budgetary practices of Municipal Corporations in select cities.

Given the focus on living conditions of children in urban poverty, scrutiny of interventions under sub-mission II of JNNURM and Rajiv Awas Yojana (RAY) forms the fulcrum of the research. These were the two key programmes financed by the Union Ministry of Housing and Urban Poverty Alleviation (MoHUPA), which shaped the state government interventions for the development of urban poor, during 2009-10 to 2014-15 through provisioning of decent shelter and basic services.

In order to understand the connect between quality of physical environment in slums overall development of children living there, the study further analyses child-specific schemes of other relevant Ministries to find their responsiveness to slum children. The Union Ministries covered for such extended analysis are Ministry of Women and Child Development (MWCD), Ministry of Health and Family Welfare (MoHFW), Ministry of Human Resource Development (MHRD) and Ministry of Labour & Employment (MoLE). At the State-level, all major schemes for urban poor run by relevant departments of the four study States viz. Andhra Pradesh (undivided), Madhya Pradesh, Maharashtra and Odisha have been analysed.

Projects under JNNURM were implemented by the States through ULBs. As lead agencies responsible for coordinating and implementing slum improvement projects, the Municipal

Corporations in the capital cities in Madhya Pradesh, Maharashtra, Odisha and the erstwhile (undivided) State of Andhra Pradesh have been studied. Analysis of urban poor focused schemes of the select States and

Box 1: Union Govt. Ministries and State Govt. Departments Studied

Ministries in Govt. of India: MoHUPA, MWCD, MoHFW, MHRD, MoLE.

Departments in Andhra Pradesh: Dept. of Municipal Administration & Urban Dev, Dept. of Women Child & Disabled Welfare, Dept. of Education.

Departments in Madhya Pradesh: Dept. of Women & Child Dev, Dept of Local Bodies, Dept of Labour, Dept of School Education (Primary), Dept of Bhopal Gas Tragedy Relief & Rehabilitation, Dept of Food & Civil Supply, Dept of Public Health & Family Welfare.

Departments in Maharashtra: Dept. of Women & Child Dev, Dept. of Urban Development, Dept. of Housing, Dept of Public Health, Dept. of Water Supply and Sanitation

Departments in Odisha: Dept. of Housing & Urban Dev, Dept. of Health & Family Welfare, Dept. of School & Mass Education, Dept. of Women & Child Development.

Box 2: Municipal Corporations Studied

Bhopal, Bhubaneswar, Greater Hyderabad and Greater Mumbai

Municipal Corporations forms the main part of the study; the analysis of State-level interventions of social sector schemes has been presented in the Annexure to the main report.

Given that many of India's human development or social sector policies have been underfunded, one of the major challenges in achieving the intended results stated benefits of any scheme could be rooted in inadequate government funding for the same. With this in mind, the study scrutinizes allocation of budgets and flow of funds under the relevant schemes by examining the budgets of the Union Government, State Governments and Municipal Corporations. It looks into budgetary resources for Union Government programmes and those earmarked by the four State Governments for the schemes meant for urban poor. Moving down to the municipal level, the study delves into resource base of all four Municipal Corporations and their spending on interventions for poor population in their jurisdiction. It also questions modalities around quality and timing of utilization of funds in relevant programmes by the authorities concerned at various levels.

The study also encompasses some field visit-based anecdotal evidence to substantiate various arguments. It presents people's opinions about the situation on ground and perceptions of government officials about bottlenecks in implementing the schemes for slum dwellers. These anecdotal evidences are presented mainly in boxes. The study also refers to independent surveys by civil society organizations or independent academics. Not many studies have analyzed this issue in detail using the child lens. A study titled 'Analysing the Impact of JNNURM funded projects on Children across India' carried out by Action for Children's Environment (ACE) was a useful source of tracking progress of slum redevelopment projects in some Indian States. References to case studies from the ACE study have been made, at a number of places in this report.

We may also note here a couple of methodological challenges faced in this study. Due to unavailability of required data, slum dwellers alone have been considered as urban poor population. Also, in India, the government interventions for children are designed for either 0-6 or 6-14 or 0-18 age group; but the analysis in this study covers all those schemes which cover children in 0-8 age group.

Data source

The details of relevant programmes and schemes at the Union, State and Municipal levels have been drawn from multiple sources. For analysis of the Union Government's policies and budgets, required information was gathered from Census 2011, Primary Census Abstract for Slum 2011, NSS 69th round (2012) report on 'Key Indicators of Urban Slums in India' and National Family Health Survey III (2005-06). The 12th Five Year Plan (FYP) document, Guidelines of identified schemes, Outcome Budgets & Annual Reports of related Ministries and Departments, and the Union Budget documents of several financial years were also referred to. Information pertaining to the State Government departments (dealing with urban poor and children) was accessed both from the websites of the Departments as well as the

reports/ documents published by those over the last few years. Budget books of all four of the Municipal Corporations for the last few years were also accessed.

Review of literature

The study benefitted from a thorough review of various studies on urban poverty and children. The available literature focused largely on definition of slum, the dimensions of urban poverty, and dynamics of policy failures in arresting urban poverty.

As per the Slum Area Improvement and Clearance Act (1956)², slums are mainly those residential areas where dwellings are in any respect unfit for human habitation by reasons of dilapidation, overcrowding, faulty arrangements and designs of such buildings, narrowness or faulty arrangement of streets, lack of ventilation, light, sanitation facilities or any combination of these factors which are detrimental to safety, health and morals.

Census (2001 and 2011) identifies slum as a compact area of at least 300 population or about 60-70 households (or 20 households as per National Sample Survey Organisation (NSSO)) of poorly built congested tenements in an unhygienic environment. UN-Habitat defines slum as a contiguous settlement where the inhabitants are characterized as having lack of durable housing, insufficient living area, lack of access to clean water, inadequate sanitation and insecure tenure. Broadly, slums have the highest concentrations of poor people and the worst living conditions in urban area (IIPS, 2009). Most urban dwellers and migrants living in unauthorized settlements in urban areas are often missed out in urban statistics, remain invisible and are denied recognition by the authorities. They do not have any identification cards like ration cards, voter cards etc. and hence are denied access to pro-poor schemes such as subsidized food, health care and schooling.

Slum settlements are born out of a combination of poor public policy performance and inadequate household incomes of their residents. The list of policy failures is lengthy: a) Ineffective urban planning that isolates slums from jobs b) Inefficient intra-city passenger transport that pressures low income workers to live in unsafe areas near city where jobs are concentrated; c) Insufficient allocation by national government to local governments of resources.

It has been argued that poor physical environment is a root cause for many of the issues the government is grappling with whilst addressing child health and development needs. High levels of infant and child illnesses and deaths amongst slum communities are mainly due to deprivations of basic amenities relating to shelter, sanitation and water for the inhabitants. According to UNICEF's 'State of World's Children 2012', 'the hardships endured by children in poor communities are often concealed – and thus perpetuated – by the statistical averages on which decisions about resource allocation are based. Because averages lump everyone together, the poverty of some is obscured by the wealth of others. One consequence of this is

² Primary Census Abstract for Slum, 2011, Office of the Registrar General & Census Commissioner, India

that children already deprived remain excluded from essential services'.

Unfortunately, any discussion on children has been completely missing in all urban development and slum improvement programmes. Even at the time of designing JNNURM, the single focus was on urban infrastructure development and implementations of reforms, the child and gender perspective within JNNURM was completely overlooked. Lack of adequate city planning and mapping leads to concentration of health services in a small number of areas, and often duplication of services leads to repeated interventions in registered communities, while unregistered slums have a total lack of access. Inadequate investments in human resources for public health, minimal focus on education, concentration of human and household wastes in poor urban areas are some of the risks posed at slum children.

Concentration of human and household wastes in poor urban areas adds to the risks faced by children. It is thus, evident that children growing up in slums experience a childhood that often defies imagination of 'innocent childhood' proponents and what 'universal childhood' advocates (Chatterjee, 2012). Most literature has pointed out that interventions for 0-8 age group are closely linked to those for the mothers. Social factors like the patriarchal assumption that care of children is the responsibility of the mother alone and the prevalence of gender discrimination in many aspects have also contributed towards increasing the burden on women excessively and neglect of children (FOCUS, 2006).

According to Article 1 of UNCRC (United Nation's Convention on the Rights of the Child),

Box 3: Slums and Public Policy Challenges

Slums usually suffer due to lack of adequate attention of policymakers resulting in:

- Ineffective urban planning
- Inefficient intra-city passenger transport forcing people to live in unsafe areas providing jobs
- Insufficient allocation of resources, decision authority, urban development responsibility

“A child means every human being below the age of 18 years unless, under the law applicable to the child, majority is attained earlier.” In India, the MWCD, the nodal agency for child development has adopted the definition of child as in the UNCRC. There is no specific definition for young children in India; however, early childhood is defined as the formative stages of the first six years of life. Since Independence, a number of policies, legislations and plan of actions for children have been designed and implemented for

upholding and ensuring development of children and their rights.

A much demanded policy for young children was approved by the previous Union Government a couple of years ago through the introduction of 'Early Childhood Care and Education (ECCE)' policy. The policy is designed for universal and equitable access to quality education and active learning for optimal development of all children below six years of age. 'National Policy for Children', 2013 had also been approved by the Union Government. However, both policies, in spite of identifying heterogeneous characteristics of children recommended for a single 'National Plan of Action' for all children. In spite of several focused

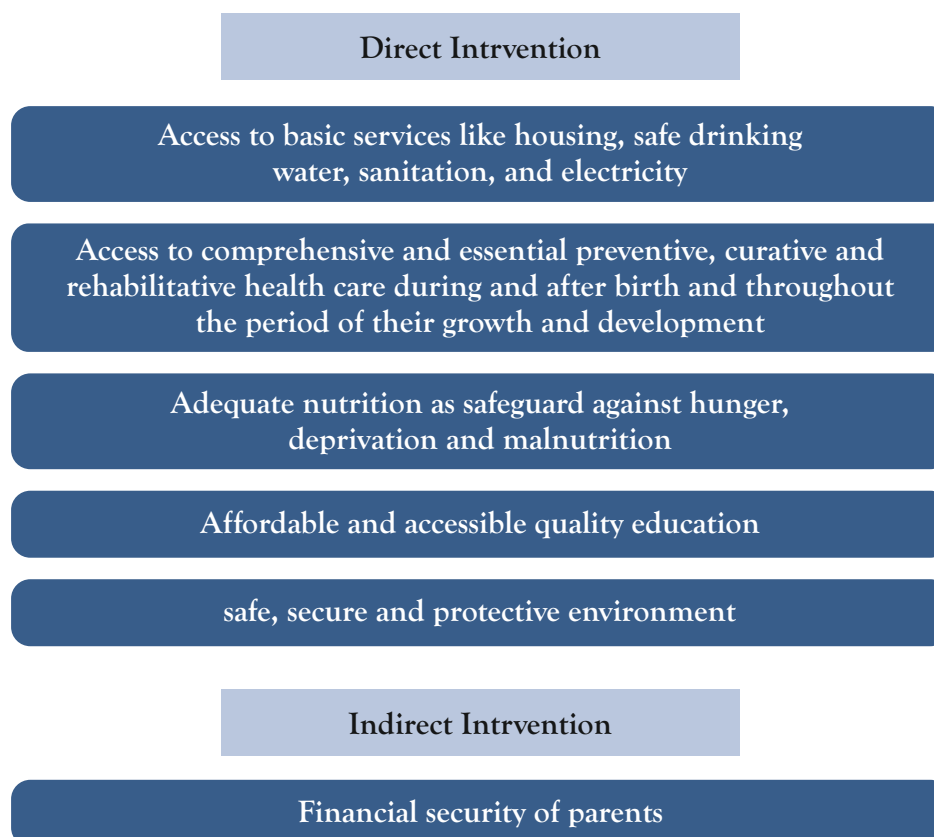
initiatives addressing various needs of children in India, it is evident from existing statistics that a lot more needs to be done in realms of child survival, development and protection.

We may also note here that economic and living conditions of households are believed to have a direct impact on health status of children living therein. Health of the urban poor is considerably worse off than urban non-poor. Many studies have shown that slum dwellers in cities suffer from adverse health conditions, which are sometimes worse than those living in rural areas (Aggarwal et al, 2007) and such high levels of infant and child illnesses and death amongst poor slum communities are mainly due to deprivations of basic amenities such as shelter, sanitation and water for slum inhabitants (Nandy & Gordon, 2009). Combined adverse effects of poor housing, inadequate sanitation, unsafe water supply and poor personal hygiene, it is argued, result in 88 percent of childhood deaths from diarrhea. Poor sanitation and unsafe drinking water cause intestinal worm infections and lead to malnutrition, anemia and retarded growth in children.

Thus, based on the evidence and arguments presented in the exiting literature, we can

Figure 1: Direct and Indirect interventions by the government for improving the living conditions of children in urban poverty

A child can experience a decent and healthy life through direct and indirect interventions of government; these may be in relation to:



highlight the following direct and indirect interventions by government as relevant for improving the living conditions of young children in urban poverty.

Structure of the Report

The report is designed in eight chapters. The first chapter introduces the study and defines: objectives, methodology, data source, review of literature and assumptions. The second chapter presents an analytical overview of slums and children in slum households in India. The third chapter of the report critically examines the existing Union Government schemes targeted towards urban poor households and children. Chapters four to seven present an analysis of select government interventions that are targeted for urban poor children in particular, or for urban poor in general, in four States and their capital cities. The eighth chapter concludes with some policy suggestions. The *Annexure* provides a brief overview of select news chemes for urban areas, during the **last two years**, and tries to assess the extent to which these schemes recognise the challenges confronting children living in urban poverty in India.

Chapter 2

Analytical Overview



Analytical Overview

Slum dwellers remain cut off from the benefit of basic services and experience challenges regarding lack of sanitation, dilapidated housing, long distances to water points etc., even while urban settings display better averages for these indicators. In spite of several focused initiatives for addressing various needs of urban poor in India, it is evident from the existing statistics that a lot more needs to be done to improve the physical conditions across slums in order to minimize the adverse impacts on young children in urban poverty, for whom, these slums are home.

The analysis reveals that delivery of basic services in slums across the four study states is weak as compared to the national average, although Andhra Pradesh exhibits a relatively better position. Among the four states, Odisha needs a greater push to reach out to slum population with regard to these services. The State governments need concerted and coordinated efforts for provisioning of toilet, drinking water, and health facilities in these settlements.

Table 1: A Comparison of slum household characteristics across study states (in percent)

Housing/Amenities	National Average	Andhra Pradesh	Madhya Pradesh	Odisha	Maharashtra
Slum households with 'drinking water' outside premises	43	11.2	60	62	72
Slum households with 'toilets' within premises	66	82.3	62.85	48.1	41.6
Slum households with 'good condition' of houses	58.4	75	58	38	58
Slum households with 'permanent structure' of houses	77.7	84.9	66.3	58.9	81.9
Slum households with 'electricity' as main source of lighting	90.5	96.6	90	75.5	93.8

Source: Census 2011

Key findings that emerged through analysis of policies and schemes during the period 2009-10 to 2013-14 at the national, state and local level are discussed below:

Information on slum children not available

In order to address urban poverty vis-a-vis children, policy makers need to have a sound understanding of the issue. For this, it is critical that accurate data and proper analysis of the dynamics of urban poverty is available. However, a sizable number of the young children that are growing up in urban poverty remain 'invisible' in government records. More than 80 lakh children of 0-8 age group live in slums in India. They constitute 4.9 percent of the total 0-8 age group children and 19 percent of total urban children in the country. However, most government surveys fail to reach out to the population living in slum settlements. Information pertaining to such children on various aspects like health, education, nutrition etc. is often hard to get.

Data discrepancy can thwart effective policy making

The most comprehensive source of information about the demographic record of country's population comes from the Population Census conducted every ten years and the National Sample Surveys (NSS) which are large scale nation-wide household surveys on socio-economic issues conducted periodically by the NSSO. These primary data sets help in enumerating the urban poor in the process of designing government policies for the segment, but the reports released by these agencies present two different estimates of India's slum population. As enumeration is a critical step for devising slum improvement schemes and allocating funds, this variation in the estimates could constrain effective policymaking for urban poor. NSSO defined slum as cluster of 20 Households, whereas Census 2011 counted slum with a minimum of 60 Households. NSSO ascribes this discrepancy to subjectivity of concepts used in defining slums.

Box 4: Data gaps result in exclusion of Urban Poor from urban planning

The wide variation in data on the population of urban poor provided by Census and NSSO creates confusion with regard to their population figures. Census 2011 estimated 6.5 crore slum dwellers in India, whereas NSS put it at 4.4 crore in 2012. Taking Maharashtra's case, Census 2011 recorded 2.9 percent of slum population in Kalyan (Thane district), whereas in reality Kalyan is largely a slum town. This is a huge challenge as it leads to leaving out a significant number of poor people out of the ambit of welfare measures.

JNNURM has a bias towards infrastructure development in larger cities

JNNURM, the massive scheme of the Government of India with a focus on improving the quality of life and infrastructure in cities incorporated two sub-missions - The Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) and the Urban Infrastructure and Governance (UIG) schemes under sub-mission I catered to the infrastructure demands of the cities. The Basic Service for Urban Poor (BSUP) and Integrated

Housing & Slum Development Programme (IHSDP) under sub-mission II aimed at holistic slum development; BSUP focused on providing services like water supply, toilets, waste water drainage, solid waste management, power, roads, transport and access to legal and affordable housing for urban poor; IHSDP, on the other hand, focused on creating a more inclusive approach to urban planning and city management. Later in 2011, a new scheme, Rajiv Awas Yojana (RAY) was launched to provide housing facilities to slum dwellers and with a vision to build inclusive cities.

Box 5: Slums serviced by JNNURM and RAY

All India total: 24%,

Non Notified: 18%, Notified: 32%

Andhra Pradesh total: 40.2%

Non Notified: 27%, Notified: 45.6%

Madhya Pradesh total: 26.7%:

Non Notified: 39.8%, Notified: 23.7%

Maharashtra total: 17%

Non Notified: 14.9%, Notified: 23.1%

Odisha total: 12.6 %

Non Notified: 12.8%, Notified: not available

Studying the allocations makes it clear that housing and slum development for urban poor have been a lower priority for JNNURM. Though slums are an important part of the city economy, little attention has been paid to their integration with cities' eco-system. In the Union Budget 2014-15, 37.4 percent of JNNURM funds were allocated for providing basic services to urban poor (through BSUP, IHSDP and RAY). In the case of Odisha, BSUP and IHSDP got 17.1 percent (62.5 crore) share of the total JNNURM budget (364.7 crore) in 2013-14. Combined share of BSUP and IHSDP was 35.56 percent (659.8 crore) of Andhra Pradesh's total JNNURM budget (Rs 1855.1) in 2013-14.

Major focus of slum development is on dwelling units

Slums are a manifestation of urban poverty in our country. A holistic slum development policy would aim not only at providing adequate shelter but also other basic infrastructure facilities to slum dwellers. However policy initiatives on slum development under JNNURM have focused merely on construction of houses. Under BSUP and IHSDP, 1,606 projects were approved for construction of 16 lakh dwelling units but at the end of fiscal 2013-14, only 8.03 lakh houses were constructed. The plan for houses constructed under BSUP and IHSDP did not specify features like garbage disposal, covered drains, access roads, play grounds and convergence with government services of health, schools etc. Due to low rate of completion of projects, the beneficiaries lost faith in these and developed a strong resistance to relocation.

Non-notified slums face deficiencies in basic services

It is observed that the 'non notified' status of slums has created barriers to basic services like water, sanitation and health. Over the last five years, improvement in amenities like drainage, sewerage, garbage disposal and primary schools is witnessed in notified slums. However, these provisions are absent in non-notified slums; within which, 'Identified Slums' are 'worst off'. Non-notified slums in million plus cities were better off regarding these facilities compared to

non-notified slums in other urban areas. Coverage of services should be expanded to non-notified slums, and these should be made eligible for provisioning of basic services.

Lack of child care initiatives for marginalised urban child

The child-focused programmes and schemes in the country are failing children in urban areas as they have not taken into account the gamete of challenges confronting urban poor. Programme sensitivity to urban problems such as migrant and seasonal labourers is very weak; many mothers do not have ID cards so they are denied services. Slum children are missed out by ICDS as many of them live in unrecognised settlements, which are not covered by the ICDS.

Child protection is a major issue in case of children in the age of 0-8 living in slums. Vulnerability of children in slums is often manifold as both parents are mostly working in informal activities bereft of child care facilities. There are no interventions to cater to the counselling needs of parents of such children. The Union Government's intervention for child protection through ICPS alone, is not enough. Although budgetary allocation under ICPS has increased over the years, it does not include interventions for protection of street children.

CDPs' development vision omits child perspective

The City Development Plan (CDP) of Thiruvananthapuram envisages child-centred facilities like remedial education centers for school dropouts, day care centers and playgrounds for children to supplement the physical interventions. However, unlike Thiruvananthapuram Municipal Corporation's (TMC) planning, CDPs of Bhubaneswar, Bhopal, Hyderabad and Mumbai (comparison in Annexure - 2) have overlooked the needs of slum children with regard to education, health, water and sanitation in the exercise of planning for development schemes for urban poor, thereby keeping children out of purview of interventions meant for urban poor. In addition, participation by slum dwellers in preparation of DPR is not practiced. Under RAY pilot project, in six of the slums identified in Indore, Madhya Pradesh, not a single slum dweller was educated or even informed about the project; nor had anyone signed a letter of consent, which is needed for approving the DPR. Similarly, social audit of BSUP in Bhopal city conducted by Centre for Urban Equity revealed that people had little knowledge of the BSUP project as administration did not carry out consultations during the preparation of DPR. Even the monitoring systems such as the Management Information System (MIS) for major schemes BSUP and RAY did not include indicators for children's well being and development.

Dearth of resources to provide services affecting slum children

An analysis of Union, select States and select Municipal Corporations' budgets shows lack of budgetary resources for providing those services in slums, which impact children the most. Several important aspects for well being of children in general and the young children in particular, like maternity and child care services, healthcare services, potable water and

sanitation facilities, pre-school education etc. are severely underfunded. Share of total allocations for urban poor in Union Budget is less than 0.3 percent in 2014-15. Union Budget 2014-15, provides an allocation of Rs. 4,210 crore for slum development programme (through BSUP, IHSDP and RAY) as against the HPEC estimate of Rs. 42,500 crore annually for slum rehabilitation and slum development (in 12th FYP). The problem of under allocation coupled with under-utilisation worsened the situation. In 2012-13, 49.3 percent of funds allocated for urban poor were utilized as compared to 65.4 percent of spending on urban poor (as share of allocation) in 2010-11, thus recording a decline of 16 percentage point between 2011 and 2013. The study also revealed that budgetary allocations for maintenance of facilities created for the urban poor did not exist even at the State level. It is only at the Municipal levels that some funds were allocated towards maintenance.

Barely adequate funds for communications and participatory processes

Cities covered under JNNURM are required to prepare Development Plans (CDP), followed by Detailed Project Reports for implementing projects under mission mode. In order to prepare these documents for cities/towns covered under JNNURM and for ensuring training & capacity building, community participation, Information, Education and Communication (IEC), a provision of 5 percent of the Central grant or the actual requirement, whichever less, was kept for sanction. These funds are just not sufficient to ensure that the specified essential steps are followed. Incorporating child responsive elements in the guidelines of the said documents was also not viable unless extra resources for these heads are made available.

Only a handful of initiatives for urban poor by State Governments and Municipal Corporations

The study reveals that there are no substantive interventions for children living in slums at the State Government level. All the states studied were found to have just a few State Plan schemes for the welfare of children such as *Atal Bal Arogya Mission*, *Ladli Lakshmi Yojana*, in Madhya Pradesh. Even these schemes have not been implemented properly. The states depended largely on Centrally Sponsored Schemes (such as ICDS, SSA, RAY and JNNURM) to address the needs of the urban poor and their children. Apart from Greater Mumbai Municipal Corporation, the other three Municipal Corporations, specifically Bhubaneswar and Bhopal, were mostly dependent on State and Central resources for implementing schemes and hence have shown inadequacy in their allocations.

Convergence approach missing at scheme implementation level

Basic infrastructure development programmes have been implemented by different sectoral agencies under specific projects without integration with other infrastructure projects. In order to have a holistic approach towards urban poor as well as children living in slums, there is a need for strengthening civic engagement on issues of slum improvement and convergence of schemes at the municipal corporation level.

Deficiencies in fiscal autonomy at Municipal level and staff shortages

Box 6: Factors constraining fund utilization

- Deficiencies in decentralised planning
- Delay in flow of funds, lack of financial powers to district and sub-district level
- Systemic weaknesses like: shortage of trained, regular cadre staff for important roles like programme management, frontline service provisions

The study notes that under many flagship schemes implemented for children's welfare, fund utilization and skewed expenditure patterns (rush of funds towards the end of fiscal year) are a frequent phenomenon. These problems arise due to low levels of fund devolution and lack of adequate planning at the municipal corporation level. Staff shortages at various levels also contribute to these bottlenecks.

Chapter 3

Review of Union Government's Programmes from the Lens of Children Living in Slums



Review of Union Government's Programmes from the Lens of Children Living in Slums

Living condition is an important determinant of a child's well being. In a developing country like India, it is not homogeneous and varies with the place of residence. Conventional comparisons between rural and urban children and their living condition reflect, in terms of facilities, that urban children are better off than rural children. However, amid the prosperity of the greater urban landscape, there exists a plethora of slums, which are products of rapid urbanisation and poor urban planning and have not necessarily reaped benefits of greater contemporary city life.

Studies have found that a large number of homeless and migrants living in unauthorised colonies in urban areas are often excluded from urban statistics, hence, denied recognition by authorities. They do not have identity proofs like ration or voter ID cards and are, thus unable to access pro-poor schemes like subsidised food, health care and schooling (Saxena, 2013).

Definitions and characteristics of slums are an expression of, and a practical response to deprivation and exclusion (UNICEF, 2012), especially for children of the age group of 0-8 years, who form one of the most vulnerable sections of society. As per census 2011, slums are home to eight million children of 0-6 age group; whose life is under continuous threat as the environment in slum is not conducive to their development. Large body of literature has shown that policy interventions towards security of tenure and expansion in basic amenities have improved the living condition of slum dwellers vis-a-vis children (Pukar & HSPH, 2010). There are a number of rights enshrined in the Constitution for children in India, and government policies have been designed to recognise these rights. Various schemes and programmes of different Union Ministries aim to ensure that the rights and challenges faced by children are realised and addressed. However, even after six decades of Independence and various initiatives both on legal and policy level, condition of children, especially in slums remains a cause of concern.

In this chapter, an effort has been made to evaluate the role of the Union Government of India in improving the living condition of children aged 0-8 years living in slums. A detailed analysis of the policies and the government's intervention towards young slum children has been carried out, along with scrutinising the availability and utilisation of budgetary resources.

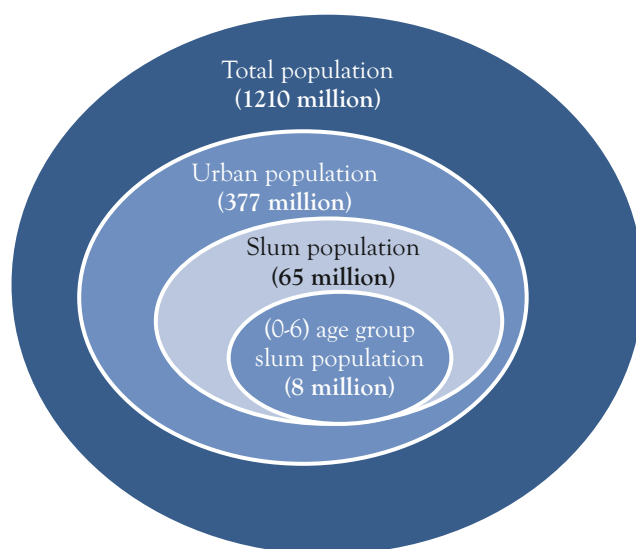
The information related to the slum population, slum households and their characteristics and slum children are drawn from Primary Census Abstract for Slum, 2011; NSS 69th round

(2012) report on 'Key Indicators of Urban Slums in India' and National Family Health Survey -III (2005-06). To analyse the physical and financial performance of the Union Government schemes for urban poor households and children, the 12th FYP Document, Union Budget documents, Outcome Budgets and Annual Reports of five major ministries have been looked up. These include the Ministry of Urban Development (MoUD), Ministry of Housing and Urban Poverty Alleviation (MoHUPA), Ministry of Women and Child Development (MWCD), Ministry of Health and Family Welfare (MoHFW) and Ministry of Human Resource Development (MHRD) and Ministry of Labour and Employment (MoLE). For details of scheme, guidelines of identified schemes have been studied.

I. Snapshot of living conditions in Slums

There are no estimates on the number of slum settlements in India and the area under them. According to crude estimates, the area under slum settlements (illegal and unauthorised occupancy of slum dwellers) is about 18,000 million to 20,000 million sq. feet (Planning Commission, 2011). As per the latest Census, around 13.7 million households or 17.4 percent of urban Indian households live in slums. Among these, only 36 percent households reside in 'notified' slum, 27.6 percent are in 'recognised' slum and 36.3 percent of the households are in slums of 'identified' category.³ About 17.7 percent of urban populations or 65 million Indians live in these three types of slums. Among them, more than 80 lakh slum children belonging to 0-6 age group or 4.9 percent of total children in 0-6 age group and 19 percent of urban children in 0-6 age group live in slums. This implies one in every five urban children in 0-6 age group lives in slum (Figure 2).

Figure 2: Population Structure -2011



³ Notified slums- areas in a town or city notified as 'Slum' by State, UT Administration or Local Government under any Act including a 'Slum Act'; Recognised slums- areas recognised as 'Slum' by State, UT Administration or Local Government, Housing and Slum Boards, which may have not been formally notified as slum under any act; identified- A compact area of at least 300 population or about 60-70 households of poorly built congested tenements, in unhygienic environment usually with inadequate infrastructure and lacking in proper sanitary and drinking water facilities.

Table 2: Distribution of Slum Population in Cities by different Size groups-2001

City size	No. of cities and towns	Slum population (million)	% of total urban population
> 4 million	5	11.1	26.0
2-4 million	8	3.8	8.8
1-2 million	14	2.9	6.8
500000 - 1 million	42	5.8	13.7
100000-500000	309	13.9	32.7
<100000	262	5.1	12.0
Total	640	42.6	100.0

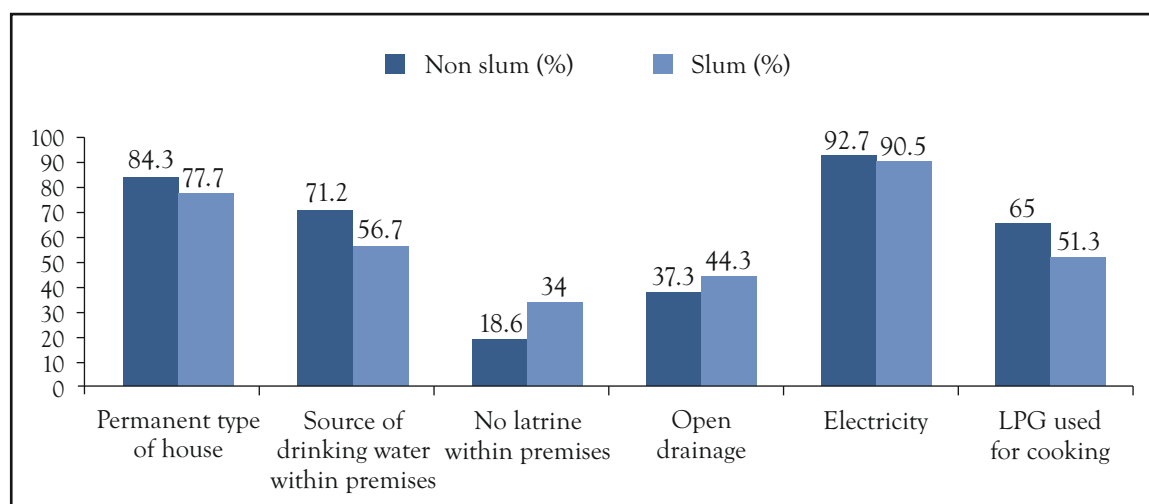
Source: Census 2001, Census 2011

Slums are mostly confined to big cities and towns, which is evident from the fact that 41.6 percent of total slum population resides in cities with over one-million populations (Table 2). The incidence of slum settlement in bigger cities is increasing overtime. In 2011, around 22 percent of the urban population was living in slums having more than 2 million people and 38 percent of total slum households were located in million plus cities. The density of slums in urban areas is reflected by density of households in the slums, which shows that in 2012, average household size per slum was 263 (NSSO, 2013).

Average literacy rate of slum population is 78 percent and work participation rate is 36.4 percent, with majority of households earning their livelihood as casual labour. Slums are often referred as “dead capital” which is productive but cannot be used or leveraged by those who live and work there. The NSSO data show 55 percent of slum dwellers have been living in them for over 15 years and another 12 percent for 10-15 years, establishing that slums are an integral part of phenomenon of urbanisation, contributing significantly to the economy of cities by being a source of affordable labour supply for production both in the formal and informal sectors (Planning Commission, 2011). Average monthly income of more than 41 percent of total urban household is between Rs. 5,000-10,000: 25.6 percent of the households earn less than Rs. 5,000 and majority of them reside in slums and squatters. According to the UN MDG report (2014), one third of world's urban poor live in India and they contribute over 7 percent of country's GDP.⁴

⁴ 'Economic contribution of urban poor', PRIA and Indicus Analytics, The Economic Times, 15th Oct, 2013 (http://articles.economicstimes.indiatimes.com/2013-10-15/news/43068314_1_slum-dwellers-urban-population-households)

Figure 3: A comparison of household characteristics of non-slum households and slum households-2011 (in percent)



Source: Housing and Houselisting data, Census 2011

A comparison of some basic amenities like shelter, drinking water and sanitation, between non-slum and slum households clearly points out levels of deprivations faced by slum households. More than 43 percent of slum dwellers collect drinking water outside their household premises and 34 percent of them either use public latrines or defecate openly (Figure 3).

National Urban Sanitation Policy was introduced in 2008 with the overall goal to transform urban India into community driven, totally sanitised, healthy and livable cities and towns (NUSP, GoI). In 2012, National Water Policy was designed with an aim to provide minimum quantity of potable water, within easy reach of households to promote good health and hygiene of citizens. However, these policies did not succeed in bringing improvement in either sanitation or availability of clean drinking water in slums. One of the major reasons for two distinct sets of outcomes between non-slum and slum households is the absence of legal entitlement for most slum households. Hence, provision of local services like drinking water, sanitation, and electricity connection is solely determined by law and absent for these slum households. Acknowledging these issues, MoUD recommended that slums which were not notified should be enlisted through a formal process by local body to attain eligibility for provision of basic services (Bhan et al, 2014).

Table 3: Proportions of slums experiencing improvement (I)/deterioration (D) in specific facilities over the last 5 years (in percent)

Type of slum	I/D	Drainage	Sewerage	Garbage disposal	Primary Education	Medical facilities
Notified slums in million plus cities	I	45.6	45.8	26.5	26.9	18.2
	D	0.8	0.3	0.7	0.8	0
Non-notified slums in million plus cities	I	31.4	27.8	45.7	20.4	28.6
	D	0.1	0	3.2	0.4	0.4
Notified slums in other urban areas	I	36.6	16.2	44.3	32.5	22.4
	D	1.5	1.1	0.3	0.8	0.2
Non-notified slums in other urban areas	I	27.9	14.9	24.4	33.6	15
	D	2.1	2.5	1.4	0.9	2.9

Source: NSS KI (69/0.21): Key Indicators of Urban Slums in India, 2012

Two inferences can be drawn from the data presented in Table 3. First, during the last five years, notified slums have experienced greater improvement in basic facilities like drainage, sewerage, garbage disposal, primary school and medical facilities. Second, non-notified slums in million plus cities have benefitted more with regard to these basic facilities as compared to non-notified slums in other urban areas. Recent NSS data (2012) on slum shows that at an all India level, 24 percent slums have benefitted from urban development schemes like JNNURM and RAY. Benefits of these schemes were higher in notified slums (32 percent) as compared to non-notified slums (18 percent).

II. Status of Children in Slums

It is globally acknowledged that initial 6-8 years of a child's life are most crucial as they form the foundation for their life-long learning and future development. Health, nutrition, education, care and development of a child at this stage, to a large extent, determine his/her growth and development for a lifetime. Unfortunately, this age group hasn't received a priority in India's policy making processes.

Table 4: Impact of Living Condition on Young Children by Their Economic Status: Key Statistics, 2005-06

Key indicators	Urban poor	Urban Non poor	Rural
Neonatal mortality rate	34.9	25.5	42.5
Infant mortality rate	54.6	35.5	62.1
Under 5 mortality rate	72.7	41.8	81.9
Children under 3 years who are stunted (%)	25.2	33.2	50.7
Children under 3 years who are underweight (%)	49.8	26.2	45.6
Children under 3 years with anemia (%)	79.8	59	71.5
Children fully immunized (%)	39.9	65.4	38.6

Source: NFHS-III (2005-06)

After 2005-06, there is no updated data on children's mortality and nutrition status by level of economic well-being. If we assume that situation has improved during this period, pattern suggests that incidence of death and under-nutrition would be higher for urban poor children as compared to non-poor children.

III. Union Government interventions for children in slums

This section critically examines existing Union Government schemes targeting children, particularly schemes designed for improving conditions of urban poor. MoHUPA being the nodal agency at Union level has been responsible for development of urban poor. Most significant policy intervention in urban development was emphasis on urban renewal through JNNURM in the 10th FYP. Besides JNNURM, there were other schemes for addressing vulnerabilities of urban poor. Table 5 provides detailed information pertaining to schemes designed by MoHUPA, GoI for reducing urban poverty and improving living condition of urban poor.

Table 5: Description of Schemes for Urban Poor by MoHUPA

Programmes/schemes	Objective	Coverage	Programme launched
Swarna Jayanti Shahari Rozgar Yojana (SJSRY)	Providing gainful employment to urban poor by setting up self-employment and wage employment opportunities.	All India	1997
National Urban Livelihood Mission (NULM) (replaced SJSRY from 12th Plan period)	Reduce poverty among urban poor through promotion of diversified and gainful self-employment and wage employment opportunities.	All India	2012-13
Basic services to Urban Poor (BSUP)-JNNURM sub mission II	Integrated development of basic services to urban poor: affordable and improved housing, water supply, sanitation. Ensuring delivery through convergence of already existing universal services of Government for education, health and social security.	7 Cities (>4 million population, 28 Cities (>1 million <4 million population, 28 selected Cities (of religious/historic and tourist importance	2005-06
Integrated Housing and Slum Development Programme (IHSDP)	Improvement/up gradation/relocation of slums including up gradation/new construction of houses and infrastructural facilities, like, water supply and sewerage.	All cities and towns as per 2001 Census except cities / towns covered under JNNURM	2005-06
RAY	Slum free city planning by bringing existing slums within formal system, redressing failures of formal system and tackling shortages of urban land and housing	All notified and non-notified slums	2009-10
Interest Subsidy Scheme for Housing the Urban Poor (IHSUP)/ Renamed as Rajiv Rinn Yojana (RRY) from 2013	Providing subsidy of 5 percent per annum on interest on home loans up to Rs. 1,00,000 for 15 years taken for housing purpose	EWS and LIG households	2008-09
Integrated Low Cost Sanitation Scheme (ILCS)	Conversion of dry latrines into pour flush latrines	Economically weaker section households	2008

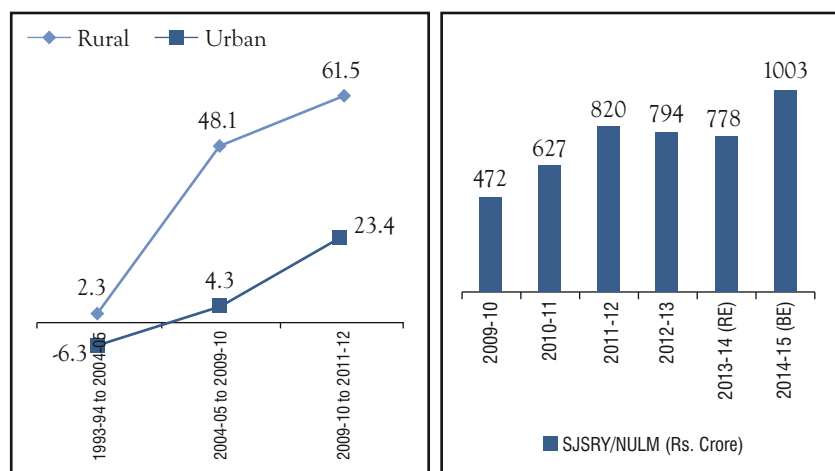
Source: Compiled from respective schemes guidelines, MoHUPA, GoI.

a. Urban poverty

The share of urban population to total population has increased from 17.3 percent in 1951 to 31.2 percent in 2011 (Census, 2011). As per Census 2011, about 50 percent of rural male migrants come to cities seeking employment. Thus, pace of urbanisation in India is likely to accelerate over time and it is estimated that by 2030, another 250 million people would be added to cities (McKinsey Global Institute, 2010), increasing the number of urban poor accordingly. The 2011-12 poverty estimation by Planning Commission shows that about 13.7 percent of urban poor live below poverty line, which is a 7 percentage point fall from 2009-10, while 73 percent of urban population could not consume enough food to have 2100 calories per day. The comparable percentages for 2004-05 were 64.5, so there has been substantial poverty rise in urban India (Patnaik, 2013). Whatever debate persisted over methodology of poverty estimation, it is evident that decrease in number of urban poor overtime is much slower than number of rural poor (Figure 4). However, unlike rural anti-poverty programmes, urban poverty alleviation programmes did not get the required priority in the planning process. The first targeted credit programme with focus on enterprise and self-employment opportunities in urban areas was launched in 1989 during the Seventh FYP period (1985-90). Various urban poverty alleviation schemes with a credit focus, introduced in India since 1989 broadly followed a top-down approach. *Swarna Jayanti Shahari Rozgar Yojana* (SJSRY), currently known as National Urban Livelihood Mission (NULM) was first such urban scheme launched by the Government of India, whereby community based organisations especially urban poor women were recognised as critical points to deliver benefits.

Working Group on Urban Poverty, Slums and Basic Services (2012) stated that livelihoods and skill development of urban poor, especially occupationally vulnerable among the urban poor ought to be accorded top priority in the 12th FYP. However, expenditure under such interventions in last two years has decreased marginally (Figure 4). In the absence of a national Figure 4: Decline in number of poor (in million): Rural vs Urban BPL survey, most of these interventions failed to identify and target true beneficiaries.

Figure 4: Decline in number of poor (in million): Rural vs Urban



Note: Poverty data based on Tendulkar methodology
Source: Planning Commission (2009-10, 2011-12) and Expenditure budget, Vol II, MOHUPA, various years.

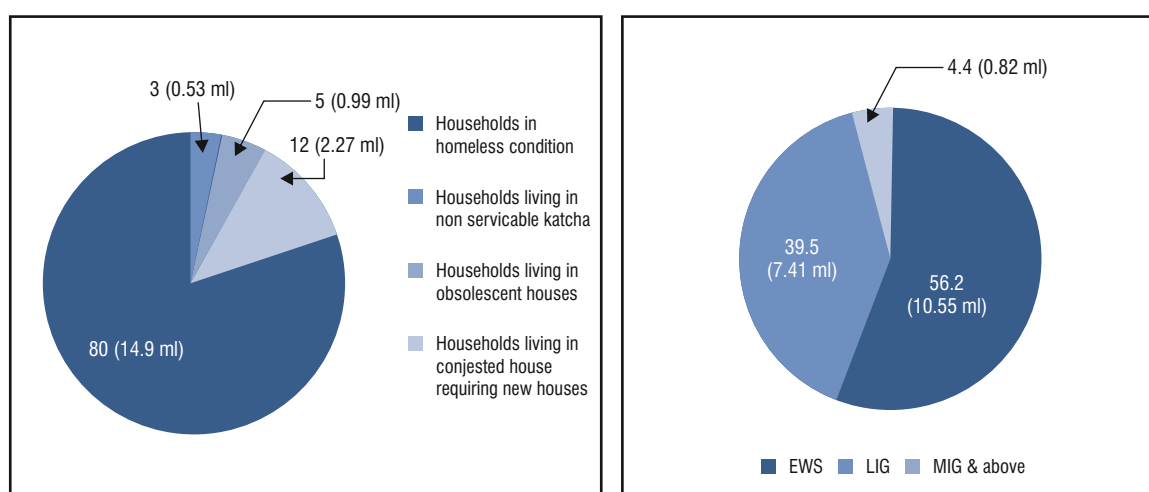
b. Basic amenities for the urban poor

Urban poverty is multi-dimensional and has very distinctive features. Besides occupational vulnerability, the poor people living in cities and towns are also victims of residential (shelter/housing and basic services) and social (health, education, social security, inclusion) vulnerability. Many studies have suggested that instead of monthly consumption expenditure, measurement of urban poverty should be based on determinants like access to shelter, access to basic amenities and access to health care and education services etc. (Saxena, 2007).

At the beginning of 12th FYP, the MoHUPA constituted a technical group on estimation of urban housing shortage in India. The committee estimated a need of 18.78 million⁵ dwelling units for urban India and it has also estimated that more than 56 percent house shortage is among the economically weaker sections and around 40 percent among the low income group population. According to Census 2011, 3.85 crore urban houses have been added and housing stock has been increased by 2.6 crore in urban India in the last 10 years.

In order to improve the basic urban infrastructure and housing shortage, in December 2005, MoUD launched a mission called JNNURM in 65 select cities. JNNURM was an umbrella programme which had two sub-missions catering to the infrastructure demands of the cities: Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) and Urban Infrastructure and Governance (UIG) Scheme in sub-mission I. BSUP and Integrated Housing & Slum Development Programme (IHSDP) in sub-mission II of JNNURM came under MoHUPA. Basic objective of these sub-missions was to strive for holistic slum development which included adequate shelter and basic amenities for slum dwellers of identified urban areas.

Figure 5: Distribution of housing shortage by type of house and economic status of household (in percent)



Note: ml- million; Source: Technical group report on estimation of urban housing shortage in India, 2012

⁵ All bad houses excluding those that are less than 40 years of age and all houses aged 80 years or more constitute the obsolescence factor

Original duration of JNNURM was seven years from 2005 to 2012, but it was extended by 3 years to March 2015 for completion of projects sanctioned up to March 2012 and also for implementation of reforms. A sum of Rs. 66,085 crore was allocated for JNNURM till March, 2012, of which 35 percent was allocated for slum development. Under BSUP and IHSDP 1,606 projects were approved for construction of 16 lakh dwelling units. As on 31st March 2014, 8.03 lakh houses were constructed under BSUP and IHSDP, of which 5.8 lakh houses were occupied by beneficiaries (Economic Survey, 2013-14).

Table 6: Physical and financial progress under JNNURM (March, 2012)

	UIG	UIDSSMT	BSUP	IHSDP	Total
7 year allocation (in Rs. crore)	31500	11400	16357	6828	66085
No. of projects sanctioned	559	808	528	1078	2973
Total cost of projects (in Rs. crore)	67275	14039	30416	11981	123711
Total ACA committed (in Rs. crore)	30971	11372	15092	7704	65139
Total ACA released (in Rs. crore)	18479	8469	8642	4905	40495
No. of dwelling units approved under BSUP and IHSDP (in lakh)	-	-	10.3	5.7	16
No. of dwelling units completed under BSUP and IHSDP (in lakh)	-	-	4.4	1.8	6.2

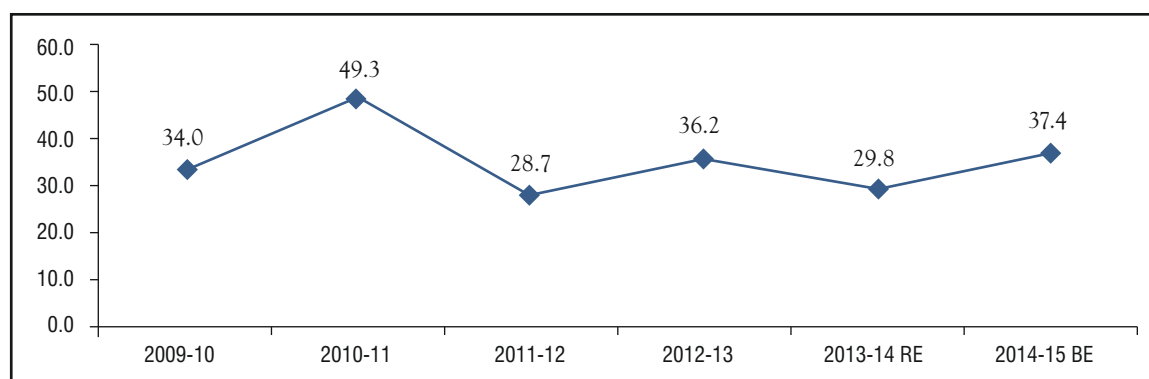
Note: UIG- Urban Infrastructure and Governance, UIDSSMT- Urban Infrastructure Development Scheme for Small & Medium Towns, BSUP- Basic Services to Urban Poor, IHSDP-Integrated Housing and Slum Development Programme Source: 12th FYP document.

In 2011, RAY was launched with a mission of 'slum free India'. The objective of RAY was to bring all existing slums, notified or non-notified within the formal system and provide access to 'decent shelter, basic amenities, livelihoods and a voice in governance' to every citizen. Till 2013, the scheme was introduced on a pilot basis and period 2013-22 was determined for implementation of the programme with an aim of providing improved quality of life to all slum dwellers by 2022.

Table 7: Scheme wise expenditure under JNNURM (in Rs. crore)

Year	UIDSSMT+ UIG	BSUP+ IHSDP+RAY	JNNURM TOTAL
2009-10	4052	2092	6144
2010-11	2704	2629	5332
2011-12	5248	2111	7359
2012-13	3420	1937	5357
2013-14 RE	7191	3048	10240
2014-15 IB	7037	4210	11247
2014-15 BE	7060*	4210	11270

*includes Rs. 6216.8 crore for Mission for development of 100 smart cities, Source: Union Budget, Expenditure Budget Vol. I and Vol. II, MoUD and MoHUPA, various years.

Figure 6: Combined Share of BSUP, IHSDP and RAY expenditure in total JNNURM expenditure (in percent)

Source: Union Budget, Expenditure Budget Vol. I and Vol. II, MoUD and MoHUPA, various years.

Figure 6 shows, only 37.4 percent of JNNURM fund was allocated for providing basic services to urban poor. This clearly indicated that Government's focus was more on city development as compared to infrastructure development for urban poor.

The HPEC estimated a requirement of about Rs. 4.1 lakh crore over 20 years for the purpose of slum rehabilitation and Rs. 8.5 lakh crore for inclusive growth of slum population, assuming universal standards for all as well as universal provision for access and mobility (12th Plan document). This meant an average of Rs. 42,500 crore was needed every year for slum rehabilitation and slum development. However, Union Budget 2014-15 allocated only Rs. 4,210 crore for slum development programme through BSUP, IHSDP and RAY. This clearly indicated shortage of funding for programmes run for urban poor. Apart from JNNURM and RAY, ILCS was also an intervention of MoHUPA, designed for addressing the

sanitation problem of urban poor. The objective of the scheme was to convert individual dry latrine to pour flush latrine. Overtime allocations under ILCS decreased: in 2014-15 (BE) only Rs 5 crore was allocated under this programme.

c. Key challenges and issues related to implementation of schemes for urban poor

Targeting of a scheme is heavily dependent on identification of beneficiaries. In most cases, beneficiaries were identified and classified on the basis of state provided urban BPL lists. It was also difficult to compare the findings as different states conduct these surveys at different time intervals and with different indicators. Sometimes, "targeting of urban poor for livelihood interventions on the basis of surveys identifying poverty in monetary terms might not have matched with the objective of the schemes" (Planning Commission, 2011). Thus, in the absence of national BPL survey in urban area, ministries used slum survey data conducted by Census to identify urban poor. In addition to paucity of data, available data from different sources sometimes showed huge discrepancy. Design and implementation of a scheme based on faulty database has been a serious concern for policy makers as well as true beneficiaries (Box 7).

Box 7: Data discrepancy on number of slums: Census vs. NSS

The problem of data discrepancy is grave if data is used for policy prescription. An example is estimation of slum population and slum households by two leading government agencies – Office of the Registrar General and Census Commissioner and NSSO.

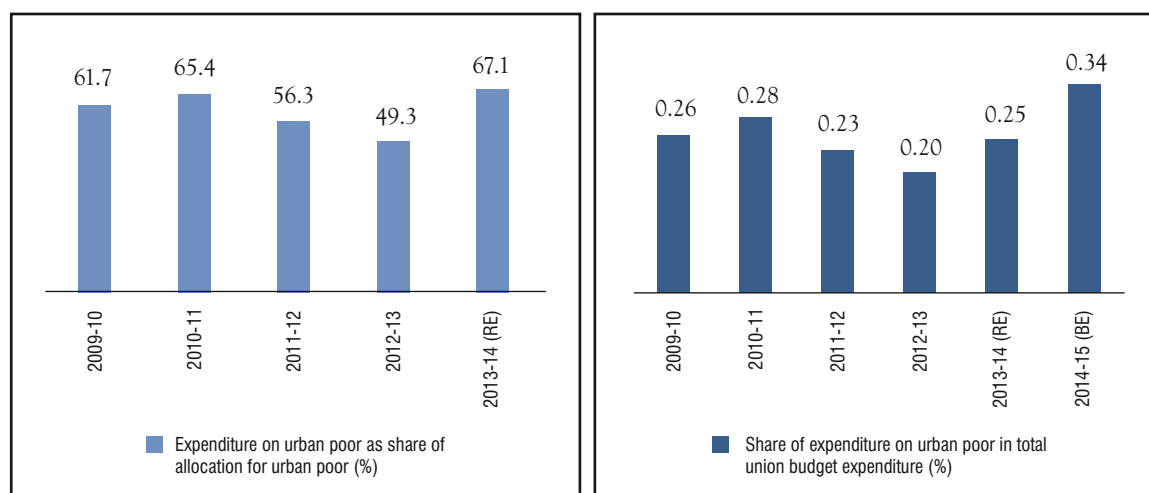
Latest National Sample Survey (NSS) estimates number of slums in India at 33,510 with 8.8 million households in them (2012). Census 2011's "Housing stock, amenities and assets in slums" puts the number of slums in the country at 1.08 lakh with 14 million households. The census office put out a figure of 6.5 crore slum dwellers for 2011, whereas NSS report indicated that urban slum population was just 4.4 crore in 2012. The difference is a whopping 2.1 crore people.

NSSO (2012) defines slums as cluster of 20 and above households, whereas, in Census 2011, the cut off for slums is 60 households. In 2010, MoHUPA report of the committee on Slum statistics pointed out that exclusion of pockets with less than 60 households with slum like features results in underestimation/under coverage of slum population in the country. This does not take into account temporary settlements of first generation migrants. MoHUPA committee on slum statistics based on census 2001 data had projected a 94 million slum population for 2011, 50 percent higher than the Census 2011 data. The 2001 CDP of Gangtok measured five or even less than five household clusters as slums, whereas CDP of Delhi, indicated 31 percent of slums having less than 100 households. In Census 2011, no town/cities in Manipur have reported existence of slums. However, if these statistics were used for implementation of schemes like RAY, then it is obvious that poor households/population in Manipur will not be able to avail basic amenities like shelter, drinking water, sanitation etc. (Bhan & Jana, 2013).

The above analysis also pointed out that the schemes designed for urban poverty alleviation and improvements of living condition of urban poor are underfunded. As urban development, urban infrastructure and housing are State subjects; it is expected that States share more resources for development of urban poor. However, due to resource deficit, most

states fail to earmark required resources. For example, as per RAY norms, Centre provided 50 percent of the project cost for redeveloping existing slums and creating new affordable housing stock; with the remaining 50 percent to be borne by States, Municipalities and the beneficiaries. However, due to resource constraints faced by many States, particularly poorer States, they expressed their inability to foot 50 percent of the bill and want the Centre to increase its fiscal support (Humara Bachpan Campaign, Policy Brief on Housing).

Figure 7: Pattern of spending on urban poor (in percent)



Note: allocation for urban poor is only for MoHUPA; Source: compiled from various years of expenditure Budget, Vol -I and Vol-II, Budget at a glance

MoHUPA in the 2014-15 Union Budget has assigned Rs. 6,009 crore for development of 10 crore urban poor (as calculated by Rangarajan Committee, 2014). This averages out to an allocation of Rs. 601 per head per annum, while the new urban poverty line defines a person spending less than Rs. 1,407 per month falling below the poverty line. This under allocation coupled with under-utilisation worsens the situation for urban poor. A decline is observed in the share of actual expenditure to budget allocation for the urban poor by 16 percentage point in 2012-13 as compared to 2010-11. It is also observed that in 2012-13, States and UTs were not able to spend even half of the allocated funds (49.3 percent). The scantiness of allocations for the urban poor is reflected in its share in total Union Budget expenditure, which is less than 0.3 percent of total Union Budget for 2014-15 (Figure 7).

Besides shortage of funds, schemes targeted for urban poor are also suffering from poor policy implementation. RAY strongly advocates for slum dwellers' participation in preparation of DPR as there is a clear policy direction of assigning property rights to slum dwellers. However, in a survey in Madhya Pradesh, in the six slums identified in Indore under RAY pilot project, not a single slum dweller was informed or educated about the project. Neither any survey was conducted nor did anyone sign any letter of consent, which is needed to approve the DPR (Humara Bachpan Campaign).

The performance audit of JNNURM conducted by the CAG (2012) observed that only 22 of the 1,517 housing projects approved under JNNURM were completed by the due date of March 2011 and the status of dwelling units under these projects was only marginally better. The committee identified deficient preparation and appraisal of detailed projects, selection of ineligible beneficiaries, unauthorised and irregular expenditure, favour to contractors and above all lack of capacity and expertise of MoUD and MoHUPA as the key reasons for poor performance of the scheme. Many beneficiaries of slum rehabilitation complained that they had been pushed to the peripheral areas of the city, increasing the commuting distance for earning their livelihood. Such a situation defeated the purpose of rehabilitation as people may start migrating back into the cities (Kundu, 2013; HT, 2014).

d. Slum children: missing attention in the policy process

The Urban Basic Services Scheme (UBSS), which was launched in 1986, and later revised as Urban Basic Services for the Poor Programme (UBSP, 1990-91) was the first and last scheme of nature designed to provide basic services to urban poor considering children as the major constituency of urban development. The scheme was aimed at child survival and development; provision of learning opportunities for women and children and community organisation for slum population. The major services provided under the scheme were environmental sanitation, primary health care, pre-school learning, vocational training and convergence of other social services at the slum level (Planning Commission, 1998).

After 1986, most of the development policies designed for urban poor did not consider children especially young children, as major stakeholders (Box 2). There is no doubt that health, nutrition and education are the primary needs of all children, but these can be availed only if decent living conditions and conducive environment for children exist. The concept of creating child friendly physical environment emanates from a framework for making urban governance cater to the needs of children in infrastructure, sanitation, drinking water and basic amenities etc. Like other children, children living in urban poverty also have full range of civil, political, social, cultural and economic rights recognised by international human rights instruments. Most rapidly and widely ratified of these is the Convention on the Rights of the Child. The rights of every child include survival; development to the fullest; protection from abuse, exploitation and discrimination; and full participation in family, cultural and social life. The Convention protects these rights by detailing commitments with respect to health care, education, and legal, civil and social protection (UNICEF, 2012). The 12th FYP document also clearly mentions that children must be provided with an environment wherein they are aware of their rights; possess freedom and opportunity to fully and freely express their views in accordance with their age and maturity. However, recommendations of the 12th Plan working group on urban poverty, slums and service delivery system are unfortunately age and gender neutral.

The monitoring systems such as the proposed MIS for BSUP and RAY did not include indicators for all stages of childhood or indicators capturing children's protection, well being and development concerns and their rights at the community/ slum and family level.

All the DPRs suffered from lack of understanding of spatiality of childhood in urban slums and thus failed to adequately provide for provisions and spaces children required at different stages of development. Only focus of most projects were to convert *kutchha* houses to *pucca* ones at great speed to meet stipulated ULB targets. Even to kenistic provisions for children such as Anganwadis, community centers, parks and gardens, which were mentioned in the guidelines typically, were left un-built (ACE, 2013).

Gender was not a 'core competence' among urban local institutions. Even at the time of designing JNNURM, focus was on urban infrastructure development and implementations of reforms; with gender perspective within JNNURM being completely overlooked (Khosla, 2009). Literature based on slum survey identified vulnerability of a girl child in the absence of safe playground within housing area. They were hence under compulsion to remain indoors or near their houses. Streets outside new houses were dirty, dark and the new flat terraces were either inaccessible or used by adolescent boys for drinking (alcohol) or taking drugs.

Places with vertical structure of housing under BSUP and RAY were difficult to access for elderly, pregnant women, disabled persons, women with young children and adolescent girls carrying heavy loads of water, who walked up to four floors. Evidences from field surveys done by many organisations like ACE, *Divya Disha*, *Humara Bachpan* Campaign etc. clearly showed that well-intended projects presented as slum rehabilitation most of the time become architectural monstrosities.

Box 8: Interventions for slum and children in various Union Government schemes for urban poor

Schemes	Slum component	Child Component
BSUP	Main thrust of the Sub-Mission on basic services to the Urban Poor will be on integrated development of slums through projects for providing shelter, basic services and other related civic amenities with a view to provide utilities to the urban poor.	Ensuring delivery through convergence of other already existing universal services of the Government for education, health and social security.; Civic amenities, like child care centers, etc.-a component of BSUP.
IHSDP	Holistic slum development with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities to slum dwellers of identified urban areas.	1. Social amenities like pre-school education, non-formal education, maternity, child health and primary health care including immunization, etc. 2. Community infrastructure like provision of community centres to be used for pre-school education, non-formal education and recreational activities.
RAY	For slum dwellers and urban poor - envisage a 'Slum-free India' by encouraging States/UTs to tackle the problem of slums in a definitive manner and prepare legislation for the assignment of property rights to slum dwellers/ urban poor as a first step.	Ensuring delivery of other already existing universal services of the government for education, health and social security.

SJSRY/NULM	<ol style="list-style-type: none"> 1. Identification of genuine beneficiaries, with focus on slums and low-income settlements. 2. Formulation of special projects for towns/ groups of towns having high incidence of poverty and particular focus on slums and low-income settlements. 	<ol style="list-style-type: none"> 1. One-time expense on child care activity under Urban Women Self-Help Programme (Revolving Fund); 2. In Urban Women Self-Help Programme an individual member entitled to a subsidy of Rs. 30 for any minor girl child in her family for health / accident insurance. 3. Certain non-economic parameters like status of Children in Household can be considered for identifying a genuine beneficiary amongst the urban poor for income-generating special loan schemes under this programme. 4. Neighborhood Committee (NHC) to provide feedback to agencies on programme effectiveness and out-reach especially for children and women 5. Community development society a formal association of all the Neighborhood Committees at the town level, to represent needs of all the communities, especially women and children at various levels and forums.
ILCSP	Slum clearance board can propose name for eligible household.	No
ISSHUP/RRY	No	Provision of home loan with Central Government subsidy to EWS/LIG persons for acquisition/construction of house to beneficiaries, who does not own a house in his/her name or in the name of his/her spouse or any dependent child. Beneficiaries with own land but no <i>pucca</i> house in urban area in their name or in the name of their spouse or any will also be covered under the Scheme.

Source: Compiled from respective scheme guidelines, MoHUPA

IV. Assessing select Union Government interventions for children

From an analysis of Union government's schemes targeted for urban poor, it is clear that children are isolated from the government's policy processes. Children are among the most vulnerable members of any community and hence disproportionately suffer the negative effects of poverty and inequality. There are underlying assumptions in government policies

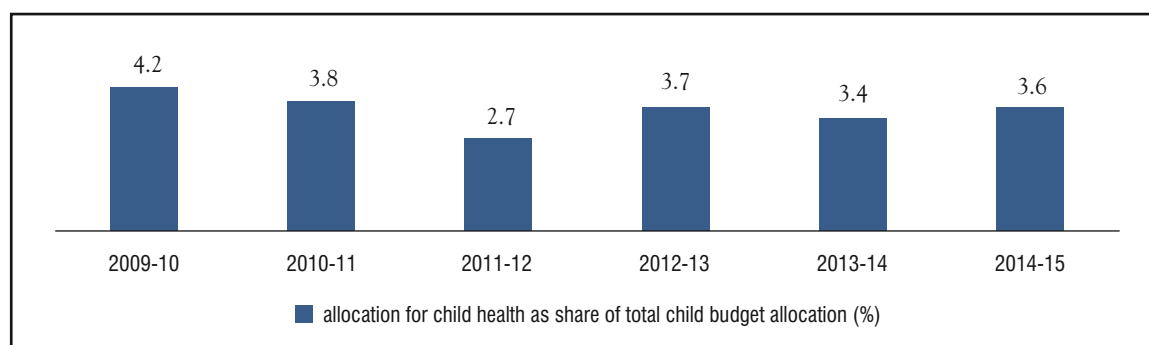
that better housing and better basic amenities for urban poor households would improve the condition of young children, without taking into account their specific needs. In reality even physical proximity to a service does not guarantee access; indeed, many urban inhabitants live close to schools or hospitals but have little chance of using these services.

Some schemes are being implemented for young children for improving their well being through provisioning of nutrition, basic healthcare and education services. But, these schemes are not specifically designed for urban poor children; given their universal characteristics. It can be assumed that benefits from these schemes are reaching urban poor, hence slum children. In this section an effort has been made to analyse select schemes designed for nutrition, health, protection and education of young children of 0-8 years and above.

a. Interventions for child health and nutrition

The near total absence of civic amenities coupled with the lack of primary health care services in most urban poor settlements has an adverse impact on the health status of its residents; the young children particularly are at higher risk as they are more vulnerable. When children do not receive adequate nutrients required to resist infection and maintain growth, they become malnourished. Government of India has a number of interventions for improving the health of children of 0-6 years of age. These are mainly pulse polio immunization programme, routine immunization programme, interventions for Reproductive Child Health (RCH) under National Rural Health Mission (NRHM), manufacture of Sera and BCG vaccine. Other health schemes also cover young children, however, disaggregated information for these schemes is not available. Following Figure provide light on the allocation patterns of Union Government for health schemes targeting young children.

Figure 8: Allocations (BE) for child health as share of Total Child Budget (in percent)



Source: Union Budget, Expenditure Budget, Volume -I, Statement 22

Under-nutrition is an important factor contributing to poor health in urban slum communities. More than half of India's urban poor children are underweight and/or stunted. Though under-nutrition is not confined to households 'below the poverty line', incidence of under nutrition is prevalent more in poor households. Poverty and under-nutrition during

pre-school years result in more than 30 percent loss in income (Young, 2014). Poor access to services, poor health behaviour and nutritional status of urban poor children result in high infant and child mortality rate, which are considerably higher than the national average.

ICDS, the flagship programme of the Government of India, tries to address needs of children under the age of six years. It seeks to provide supplementary nutrition, immunization, health check-up, referral service and pre-school education to children below six years of age. However, various field based studies have shown that in urban areas, remote areas and unrecognized settlement, ICDS is not working well. The problems identified are mainly in terms of coverage, nature of service delivery and discrimination in practice. The criteria of one ICDS centre for every 800 people in urban areas is not implemented everywhere. In many places especially, in metropolitan cities, cost of running rented service area with at least 40 children and area of at least 500-600 sq ft. is higher than money assigned under ICDS. In the absence of identity card/birth registration and due to living in unrecognised settlements, many slum children, street children are not covered under ICDS (Blake, 2009). Mid-Day Meal (MDM) is another nutritional intervention scheme for children attending primary (6-10 years) and upper primary (11-14 years) government and government aided schools. Data presented in Table 8 shows the share of child budget assigned to child nutrition.

Table 8: Pattern of Union Government spending on child nutrition

Schemes	2009-10	2010-11	2011-12	2012-13	2013-14 (RE)	2014-15 (BE)
Expenditure under ICDS (In Rs. crore)	8155	9763	14266	15712	14768	18691
Expenditure under MDM (In Rs. crore)	6938	9128	9902	10868	10927	13215
Allocation for ICDS in total child budget (%)	16.9	19.3	18.2	22.5	23.1	23.1
Allocation for MDM in total Child budget (%)	20.2	21.0	18.3	16.8	17.1	16.2
Allocation for nutrition in total child budget (%)	37.1	40.3	36.5	39.3	40.2	39.2

Note: Due to unavailability of disaggregated data for MDM, the expenditure considered for MDM is for all (6-14) age group children, Source: Union Budget, Expenditure Budget, Volume -I, Statement 22.

Data reveals that from 2009-10 to 2014-15, less than 45 percent of total child budget has been assigned for improvement of health and nutrition of young children. This figure is an over estimation due to unavailability of disaggregated financial allocation data exclusively for 0-8 years age group children. Looking at the budgetary figures of health and nutrition for

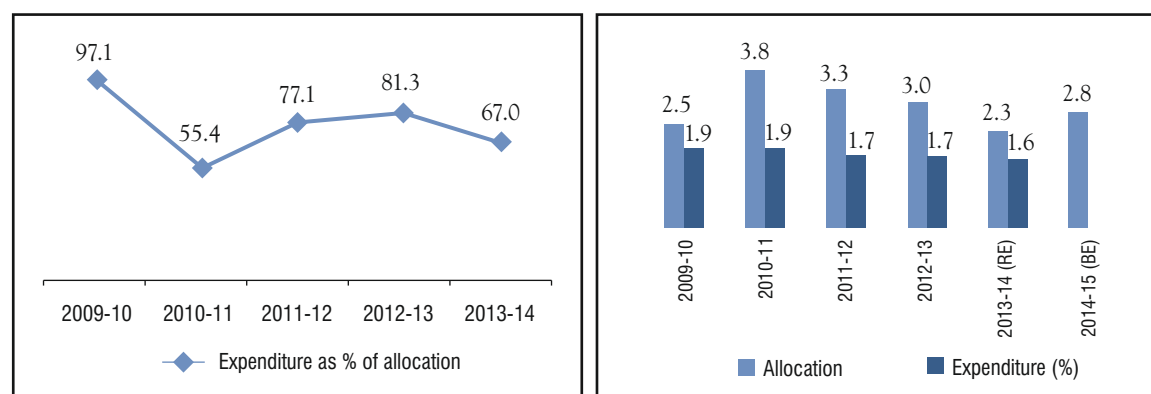
young children it can be concluded, that very less is allocated for improvement of health and nutritional status of young slum children.

b. Intervention for child care and protection

Article 19 and 36 of the UNCRC highlights that States should protect children from any sort of exploitation that may affect their health, education, physical, moral, mental, spiritual and social development. In the absence of proper preventive measures for child protection in India, every year, a large number of children become victims of various forms of abuse and exploitation. In Census 2011, about 7.4 lakh urban children of 5-9 age group were identified as child labourers. In addition, nearly 85 percent of child labourers in India are hard-to-reach, invisible and excluded, as they work largely in unorganised sector, within families or in household-based units (MoSPI, 2012). Limited initiatives for urban poverty alleviation is compelling children to take up work for supplementing household income; many of them are even engaging in hazardous occupation with high health risk.

Between 2001 and 2012, the incidence of crime against children increased by 253 percent (NCRB statistics, 2012). In 2012, around 20,000 children between 0-18 years of age were victims of kidnapping and abduction, buying and selling for the purpose of prostitution and procurement. Children lacking official birth registration documents, especially slum children, were at particular risk of trafficking and most difficult for authorities to trace. A study across fourteen states of the country revealed that more than 69 percent children were victims of physical abuse in one or more situations (MWCD, 2007). Besides crime against children, crime by children is also increasing overtime. Poverty, illiteracy combined with unsafe family environment, addiction to narcotics and drugs were some of the major reasons for juvenile crime. Juvenile crime in urban areas in India rose by 40 percent between 2001 and 2010. The juveniles in conflict were mostly found among school drop-outs and from single earner, low income families with five to seven members (DNA, 2013).

Figure 9: Allocation and expenditure for child protection as a share of total allocation and expenditure for child welfare by MWCD (%)



Note: 2013-14 expenditure figures is revised estimated, provision for NE region not taken into account;
Source: Expenditure Budget, Vol-II, MWCD

Low priority has been accorded to child protection by Union Government. This can be observed from minimalistic budget allocations for child care and child protection and the situation has worsened overtime. The four programmes implemented by MWCD, GoI for providing care and security to children are ICPS, Rajiv Gandhi National Crèche Scheme for the 0-6 age group Children of Working Mothers, Scheme for the Welfare of Working Children (0-18 years) in need of care and protection and Conditional Cash Transfer Scheme for the Girl Child with Insurance cover (0-18years). Data presented in Figure 9 shows a decline in allocation for child protection over the years. In 2014-15, only 2.8 percent of the total child budget of MWCD was allocated for child protection. The problem gets aggravated due to under-utilisation of allocated funds. Data presented in Figure 9 shows that 81 percent of funds assigned for child protection got utilized in 2012-13.

In addition to MWCD, all the interventions related to eradication of child labour are in the purview of MoLE under scheme called 'Improvement in working conditions of Child/Women Labour'. As a part of the National child Labour Policy (1987), National Child Labour Project (NCLP) was introduced in 1998 by MoLE to rehabilitate children withdrawn from work, barring entry of children into work and increase coverage of services. At present the scheme is operational in 266 districts of 20 states in the country. Districts not covered under NCLP scheme get funds under 'Grants in Aid' scheme, under which voluntary agencies are given financial assistance by the ministry on the recommendation of State Government to the extent of 75 percent of project cost for rehabilitation of working children. Overtime, the allocation under this scheme is decreasing: in 2011-12, Rs. 373 crore was earmarked for improvement in working conditions of Child/Women Labour, which has decreased to Rs. 200 crore in 2013-14 and further gone down to Rs. 175 crore in 2014-15.

c. Intervention for pre-school education and primary education

Children start learning at birth and their foundations firm up in early years. Poverty, ill health and poor nutrition during this period can weaken overall abilities of a child. Many studies show that early education contributes to children's cognitive ability and promotes health, nutrition and hygiene. In India, pre-school education is limited. Fewer programmes like ICDS and crèches have provision for early childhood education. Nationwide, less than half of the Anganwadi Centres under ICDS actually have learning materials for children. Many states report 'nil' yearly expenditures of preschool kits allocated in the regular ICDS budget (UNICEF, 2011). In September, 2013, Government of India approved the 'National Early Childhood Care and Education Policy (ECCE)' for inclusive development and learning of children of 0-6 years age group. In accordance with the vision, MWCD, GoI has prepared the ECCE curriculum framework and quality standard. For a year, an indicative budget of Rs. 2654 crore was proposed for planning of activities under ECCE, of which Rs. 573 crore was for ECCE activity books, Rs. 522 crore for conducting ECCE activity in AWC and Rs. 1559 crore for PSE kit. Pre-school education experience prepares children for primary schooling. In 2000, Union Government introduced SSA with an objective to provide quality education for all children of 6-14 years age group, where the indicative age of primary education is 6-9. Since

SSA is universally designed, in case of children from slums, disadvantages due to urban poverty, poor health, crime and violence stood in the way of enrolment and completion of primary school education. Due to unavailability of data, it was difficult to calculate quantum of funds allocated by the government for primary education of slum children.

V. Summary of observations

The above analysis points out that the slums which are categorised as 'Identified' in the Census are worse off among all non-notified slums as these are not recognised under 'Slum Act' or any other Act. Hence, there is huge possibility that policy interventions by the implementing authorities are not addressing households and hence children living in these slums. All schemes designed for urban poverty alleviation and improvement of living condition of urban poor secure low allocations from the Union Budget. Though urban development, urban infrastructure and housing are State subjects, but the States fail to allocate adequate resources to these due to resource constraints. Problem of underfunding combined with under-utilisation is responsible for the limited progress by States in tackling the multifaceted issues faced by urban poor.

Another major reason for persistent problems of urban poor lies in the approach of considering 'urban development' and 'development of urban poor' as separate categories and having two independent ministries: MoHUPA and MoUD functioning for urban management. Urban development and urban housing and poverty alleviation are closely linked. An immediate need is merger of these two ministries for efficient urban management and convergence of all social sector schemes of Union and State governments, particularly at the Municipal Corporations level, also recommended in HPEC report.

The policy response of the government for urban young children is neither adequate nor realised in true spirit. Most of the development policies for urban poor do not consider children, especially young children, as major stakeholders and neglect heterogeneous characteristics of children. "Universalisation" does not mean "uniformity". Communities where education, health or nutrition indicators are particularly poor are not getting special financial allocations under any scheme.

Box 9: Child-Friendly Cities Initiative (CFCI)

In 1996, UNICEF and the United Nations Human Settlements Programme launched an initiative called the CFCI. Under this initiative, nine principal building blocks were identified for local administrations to make a city child friendly. These are:

1. Child participation at all stages of planning and implementation
2. Child-friendly legislation
3. A child rights strategy
4. A coordinating mechanism or agency for children
5. Assessment of policy and programme impact on children

6. A budget and resources for children
7. A regular report on the state of children in the city
8. Awareness-raising and capacity building on child rights
9. Independent advocacy for children.

The best example of benefits of CFCI can be seen in the initiative taken up by Brazil. In 2005, the local authorities in Brazil that had earned the Municipal Seal of Approval were found to have cut infant mortality by 16.4 per cent (against 12.1 per cent elsewhere) and neonatal mortality by 8.5 per cent (against 1.6 per cent), while increasing access to early childhood education from 56 per 100 children to 63.5 per 100.

The policy framework should have child focused perspective which mainstreams the needs of children. Challenges encountered by slum dwellers particularly children must be acknowledged, and their rights must be fulfilled while designing schemes and solutions. In the guidelines of many schemes, children are recognised as right holders who should be given priority and involved in planning and implementation of schemes and policies. They should be granted a platform to secure needs and rights through child-friendly city approaches to achieve development goals with equity. However, planning and monitoring systems such as DPR or MIS do not include indicators for capturing child protection, well being and development concerns and their rights at community/slum or family level. It is not difficult to follow CFCI model (Box 4) for planning process: designing physical environment with child friendly approach. For holistic growth of children, stronger political will is required. The next section identifies eight key areas where action is required if needs and rights of urban poor children have to be fulfilled.

Chapter 4

Review of Public Investments in Odisha

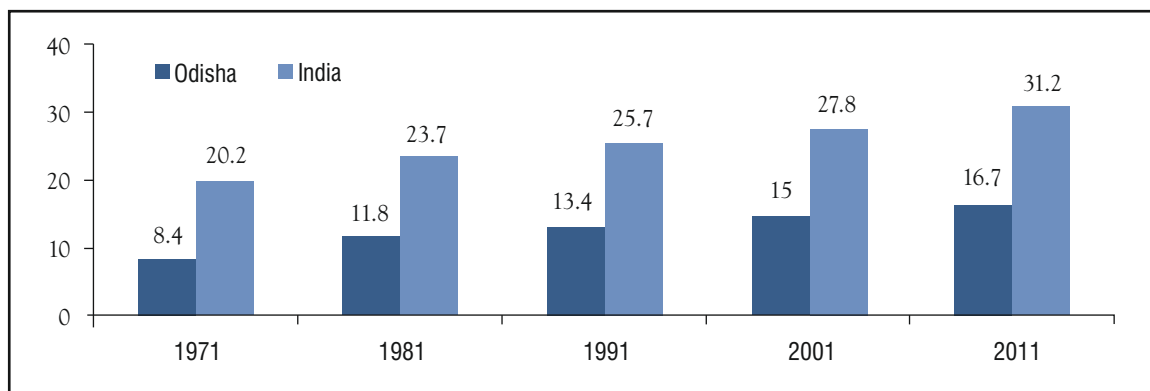


Review of Public Investments in Odisha

I. Introduction

Odisha is one of the least urbanised states in India. In 1970s, share of urban population in total population of India was 20.2 percent whereas in Odisha it was only 8.4 percent. In 2011, national figure for urban population stood at 31.2 percent whereas for Odisha it was 16.7 percent. Rate of urbanisation is also lower in Odisha than the national average (Figure 10).

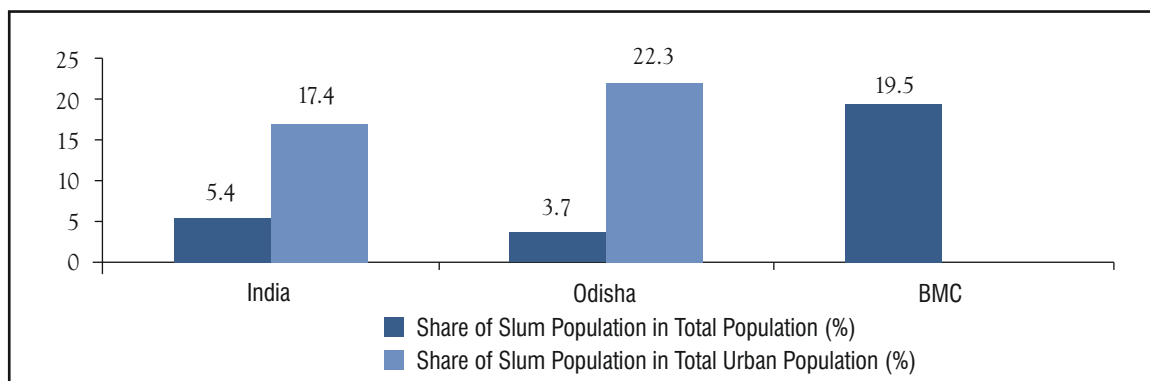
Figure 10: Share of urban population in India and Odisha (1971-2011)



Source: A. Kundu, Trends and Processes of Urbanisation in India, 2011 and Census, 2011

As per Census, 2011, population living in slums in urban areas in Odisha is quite high, comprising 23.1 percent of the urban households, which at the national level stands at 17.7.

Figure 11: Demographic Comparison of India, Odisha and Bhubaneswar Municipal Corporation, 2011



Source: Census of India, 2011

Size of slum population as percent of total population under the Bhubaneswar Municipal Corporation (BMC) stands at 19.5 percent, which implies that one out of every five persons in BMC is a slum dweller (Figure 11). Children in 0-6 years age group constitute 13.4 percent of the total slum population of the city.

Table 9: Slum population in India, Odisha and BMC, 2011

	India	Odisha	BMC
Total Slum Population	654,94,604	15,60,303	1,63,983
0-6 year Population	80,82,743	1,88,962	21,930
Percent share of 0-6 years old	12.3	12.1	13.4

Source: Census of India, 2011

It is argued that the actual number of poor in urban areas is more than what is reflected by data released by government agencies. The survey carried out by Bhubaneswar Development Authority in 1999 showed that 30 percent of the population was residing in slums in the city, whereas according to census 2001, only 11 percent of the population was residing in slums. The recent survey for implementation of RAY shows that total number of slums in the city is 436 against 377 mentioned in other records of the BMC.⁶ Strict definition and eligibility criteria keep a large section of urban poor outside the overall purview of various interventions meant for them and the irony is that the marginalized and needy sections like pavement dwellers, destitute, migrant labourers etc., who do not have any permanent space, are the ones who are left out. Cities need to include these unnoticed and unaccounted citizens. Their number will also grow with the growth of the city, hence policies providing some hand holding for such marginalized section need to be formulated. Accepting this and documenting their existence would be the first step in this direction. BMC has not included this group of people in its CDP, hence this segment is left out altogether from the policy purview.

“Housing rights are integral to the fulfillment of other basic rights of the child. The right of the child to health, education, participation, physical and intellectual development, security and even the right to life is closely linked to the immediate environment. 'Adequate' housing is of particular importance for children's growth and development, and the child's self-confidence and sense of identity depend greatly on his/her access to a secure place to live in peace and dignity”

Source: Malavika Vartak (2008), Handbook on Children's Right to Adequate Housing, HAQ: Centre for Child Rights

Existing condition of children in urban poverty and government schemes targeting them directly or indirectly are discussed in the following section of study.

⁶ The approval of additional slums is pending and hence the number of existing slums continues to be 377. In some documents it is also reported as 376.

II. Budgetary priorities for poor, with focus on children in slums in Odisha

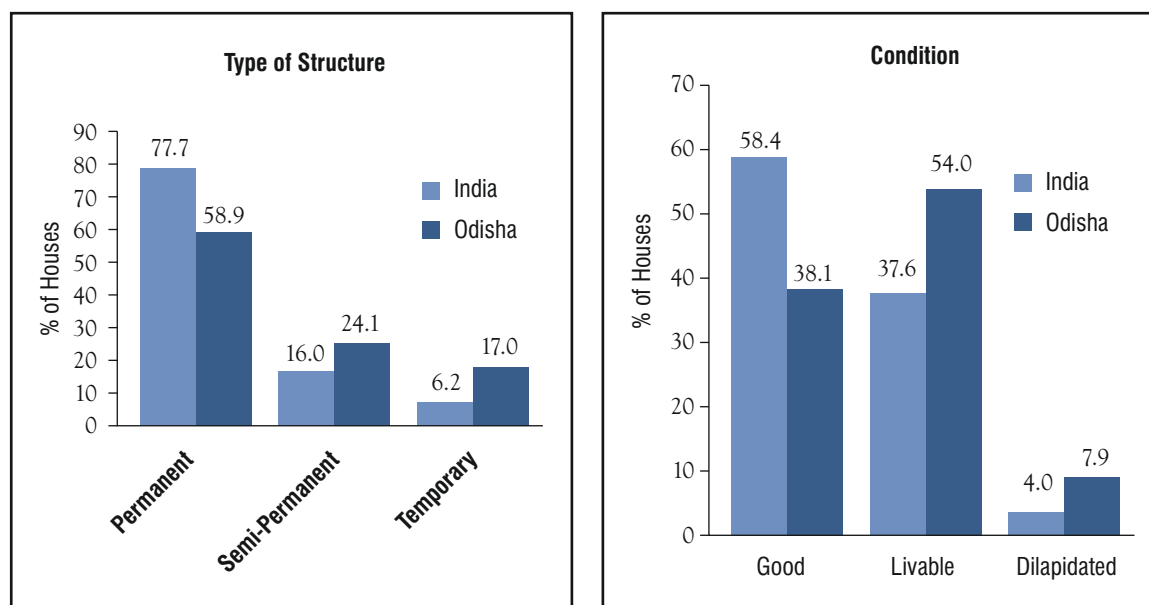
Dilapidated housing conditions in slum settlements not only pose physical hardship for children but also affect them psychologically. Housing has been the major focus of slum rehabilitation schemes at both Union as well as State level. Since the study focuses on living conditions of slum children, housing forms a core part of the discussion. Department of Housing and Urban Development of Odisha defines its vision as:

“To ensure planned and inclusive development of cities/towns into livable, economically vibrant and productive, sustainable and efficient entities”⁷

The department has included slum redevelopment & rehabilitation and affordable housing for all as one of the means to achieve its vision. The department also aims at upgrading skills of urban poor for increasing their employability and improving economic condition.

Census data shows that the condition of slum houses in Odisha is much worse when compared to the national average. As per Census, 2011, in Odisha, 59 percent of slum houses are permanent structures as compared to 78 percent at all India level. Nearly 38 percent slum houses in Odisha are categorised as 'good' compared to 58 percent at the national level. Close to 22 percent of slum households are still dependent on kerosene as source of lighting which is not good for the children as cramped living spaces with kerosene fumes affects their health.

Figure12: Type of Structure and Condition of Slum Houses in Odisha



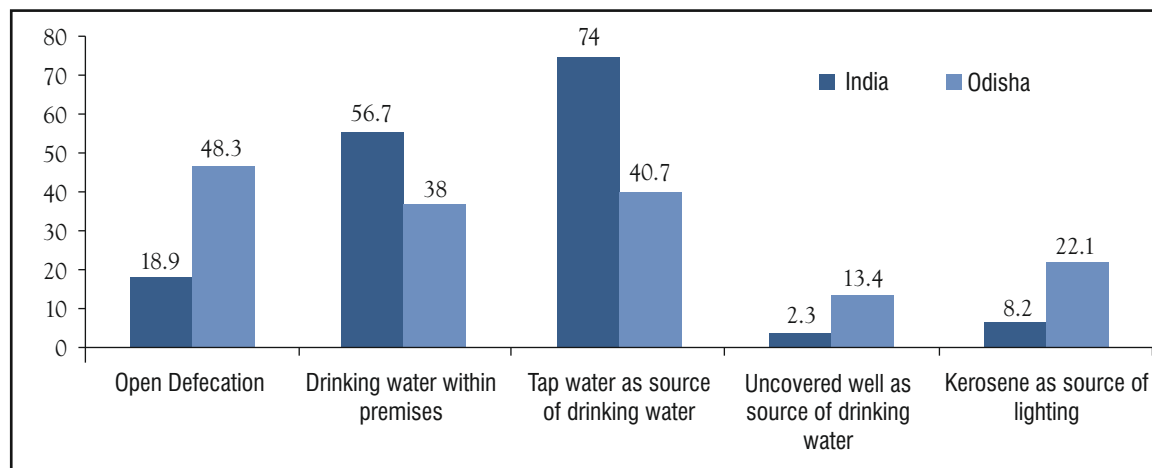
Source: Census of India, 2011

If we take a look at the availability of safe drinking water in slums, only 38 percent of slum households have drinking water within their premises, 40 percent households have tap as

⁷ Outcome Budget 2013-14, Department of Housing and Urban Development, Govt. of Odisha

source of drinking water and 13 percent households are still dependent on uncovered wells as source of drinking water (Figure 13). Almost half of the slum households in Odisha still defecate in the open. Absence of such basic amenities in slums results in unsanitary living conditions and hence poor health outcomes, with children being most vulnerable to these health problems.

Figure 13: Basic Amenities in Slum Households in India and Odisha



Source:

To address the problem of poor housing conditions in urban slums and improving infrastructure facilities in urban areas, JNNURM was launched by the Union government in December 2005. This mission was under the MoUD and MoHUPA to carry out a holistic and planned development of 65 selected cities in India including Bhubaneswar and Puri in Odisha. Integrated housing for the urban poor were addressed under the sub-mission BSUP and IHSDP whereas UIDSSMT and UIG catered to the infrastructure needs of the mission cities.

Table 10 provides an overview of allocations and expenditure under the sub-missions of JNNURM in Odisha. The Table shows variations in allocations across sub-missions and also within sub-missions over the years. This is due to the fact that in certain years, specific sanctioned projects under the components are included which in turn increases the expenditure and allocations for that particular year. For example under UIDSSMT the fund allocation increased from Rs. 14.3 crore to Rs. 50.6 crore because of a major water supply project of Jharsuguda Municipality with an estimated cost of Rs. 32 crore.⁸

⁸ Housing and Urban Development Department, Outcome Budget, 2013-14

Table 10: Expenditure under JNNURM in Odisha (in Rs. crore)

Sub-Missions under JNNURM	2010-11	2011-12	2012-13 (RE)	2013-14 (BE)
IHSDP	17.3	25.1	30.3	51.7
BSUP	6.8	12.2	19.1	10.8
UIG	118.7	12.4	26.8	251.6
UIDSSMT	12.9	20.5	14.3	50.6
Total Expenditure under JNNURM	155.7	70.2	90.5	364.7
RAY	4.1	0.0	21.0	75.0

Source: Demand for Grants for different years, Dept. of Housing and Urban Development, Govt. of Odisha

Total number of dwelling units constructed under BSUP and IHSDP stood at 3,982 units in 2011-12 and 5430 units in 2012-13. The proposed number of such units stood at 11,418 in 2013-14 which also included beneficiaries under RAY, another forthcoming major housing scheme for slum dwellers.

Table 11: Performance of JNNURM in Quantifiable Deliverables from 2011-12 to 2013-14, Odisha

	2011-12	2012-13	2013-14
BSUP	918 dwelling units completed	1056 dwelling units completed	1437 dwelling units to be completed in JNNURM cities (Bhubaneswar and Puri)
IHSDP	3064 dwelling units completed in 31 towns	4374 dwelling units completed in 31 towns	Total 12773 dwelling units out of which 8185 units to be completed during 2013-14
RAY*	Socio economic survey in progress	Socio economic survey completed. GIS mapping and Tendering process in progress	Resettlement of 5 slums of Bhubaneswar and Cuttack covering 1796 beneficiaries by providing dwelling units

Note: *RAY, in its initial phase, includes only socio economic survey of the identified slums for resettlement

Source: Housing and Urban Development Department, Outcome Budget, 2013-14

The beneficiaries under BSUP reported that houses constructed under the scheme lacked sanitation and water supply facilities. Children and women suffered more due to absence of these services.⁹ It was expected that these problems would be addressed by RAY which was said to replace BSUP and IHSDP. RAY guidelines outlined that houses should preferably be

⁹ Based on interaction with residents of Shastri Nagar and Raghunath Nagar in Bhubaneswar

allotted to the female members as this would empower them. As argued by many civil society activists, this would have a positive impact on the overall development of children.

Like in BSUP and IHSDP, land acquisition was a major problem for implementation of RAY, especially for metropolitan cities. The central assistance under RAY did not include cost of land.

Table 12: Investment Requirement for Rehabilitation of Slums in Bhubaneswar City

	Component	Investment requirement (in Rs. crore)
1	Housing	1920.0
2	Physical Infrastructure	192.1
3	Social Infrastructure	32.1
4	Operation & Maintenance	53.6
5	Capacity Building	2.0
	Total	2,199.8

Source: Sachidanand Singh (2012), Slum free City plan of Action for Bhubaneswar

It is estimated that approximately Rs. 2,200 crore would be required for the development of the current slums in the city. Another Rs. 5,000 crore would be needed by 2031 for preventive measures to keep Bhubaneswar slum free. Current budgetary provisions show that the allocated amount for slum development is too small whereas state government reported huge unspent balances for similar budget heads. The quality of such expenditure is also affected as major part gets spent in the last quarter of a financial year.

In JNNURM, it was assumed that benefits of interventions designed for slums would automatically flow to children residing in these slums. However, in this approach some of the core problems of children like - ECC structures like AWCs, crèches, skill development targeted at children, sports and recreational requirements etc. got completely ignored. Hence, there was lack of direct intervention for slum children in this approach.

Slum development should be considered beyond converting *kutchha* houses into *pucca* ones. It is important to provide children with a proper healthy environment in order to build the human capital base of the country. It is important to understand that a child's world-space gradually evolves from his/her home to the surroundings, both physically and socially. Any slum redevelopment strategy should take note of this evolutionary process to make such initiatives child-friendly. Thus, from a simple play school to a playground, slum development should include more than just a house.¹⁰

¹⁰ 'Analyzing the Impact of JNNURM Funded Slum Redevelopment Projects on Children Across India', Action for Children's Environments (ACE)

III. Budget of Bhubaneswar Municipal Corporation (BMC) for urbanpoor and children

The slum population of BMC is 19.5 percent of the total population of the city. As against the total budget of Rs. 367.1 crore in 2011-12 BE, the actual expenditure was Rs. 135.6 crores (Table 13). A major reason for this decrease is exclusion of the head 'deposit works' with budget provision of Rs.125 crore from actual expenditure. 'Deposit works' included civil works of BDA, electrical works, Integrated Sewerage System and other works. In addition, against actual expenditure of Rs. 4.5 crore, budgetary provision towards BSUP was Rs. 26.6 crore in 2011-12.

Actual expenditure on schemes and programmes meant for slum dwellers was 3.1 percent and 9.9 percent of the total actual expenditure in 2010-11 and 2011-12 respectively. Budgetary provision for 2012-13 shows a sudden rise to 25.5 percent and a sharp fall to 16.2 percent of the total budget in 2013-14.

Table 13: Budget for Urban Poor under BMC (in Rs. crore)

Heads of Expenditure	2010-11	2011-12	2012-13 BE	2013-14 BE
Total Budget of BMC	324.44	135.59	392.89	425.89
Total provision for slum dwellers / urban poor under different schemes	10.0	13.4	100.1	66.4
Share of total budget for urban poor (in %)	3.1	9.9	25.5	15.6

Source: Annual Budget, Bhubaneswar Municipal Corporation, various years.

The increase in 2012-13 was due to new allocations made under RAY and increments as part of SJSRY, BSUP and construction of roads (Table 14 and 15). Allocation for BSUP was reduced substantially in 2013-14, with increase towards RAY not enough to compensate for this reduction, thereby reflecting an overall shortfall.

Table 14: Budget Allocation for RAY, SJSRY, BSUP and Slum Improvement, BMC (in Rs. crore)

Scheme/Programme	2010-11	2011-12	2012-13 BE	2013-14 BE
RAY	0.3	0.0	18.0	30.0
Swarna Jayanti Shahari Rozgar Yojana (SJSRY)	5.6	4.7	16.1	14.6
Basic Services to the Urban Poor (BSUP)	0.0	4.5	25.0	0.2
Slum improvement and rehabilitation (NSDP and JICA)	0.0	0.0	0.1	2.0

Source: Annual Budget, Bhubaneswar Municipal Corporation, various years.

RAY and SJSRY together account for more than two thirds of the BMC budget for urban poor and slum dwellers (Table 14). Even with bulk of expenditure directed to these schemes, poor sanitation condition in urban slums is a major concern for slum dwellers, who have to resort to open defecation. This is one of the major problems by slum dwellers, especially by children and women.¹¹ Shortcomings under BSUP in terms of providing usable toilets with provisions of tap water and sewerage connections was expected to be addressed under RAY.

Table 15: Budget Allocation for Other Schemes for Urban Poor, BMC (in Rs. crore)

Heads of Expenditure	2010-11	2011-12	2012-13 (BE)	2013-14 (BE)
Improvement of Basic Services to Slums	0.2	0.0	5.0	1.0
Water supply through pipe line, Tube well, Stand post to slum	1.0	0.0	2.0	2.0
Integrated low cost sanitation	0.0	0.0	1.0	0.0
Construction of toilet block	0.0	0.0	8.0	8.0
Construction & improvement of roads (urban poor)	0.3	0.8	15.0	NA
Construction & improvement of drains (urban poor)	0.2	0.0	1.0	NA
OAP/MBPY, NRHM, Night Shelter combined*	2.3	3.5	8.9	8.6

Note: * OAP: Old Age Pension, MBPY: Madhu Babu Pension Yojana, NRHM: National Rural Health Mission
Source: Annual Budget, Bhubaneswar Municipal Corporation, various years.

Actual expenditure made in 2010-11 and 2011-12 for improving basic services to slums, toilet blocks, construction of drains and piped water supply was nil (Table 15). Poor financial health of municipal corporation made it dependent on government and other agencies for carrying out the most basic functions. Besides the grants from state and central government, there are many other sources which need to be harnessed by the BMC. Some of the major revenue sources that the corporation can strengthen/explore are given in the Table 16.

¹¹ Based on interaction with slum dwellers of Mandav Basti, Bhubaneswar

Table 16: Different Sources of Revenue for Municipal Corporation

Revenue Head/Category	Sources of revenue
Tax revenue	Property Tax, Octroi, Advertisement Tax, Tax on Animals, Vacant Land Tax, Taxes on Carriages and Carts
Non-Tax revenue	User Charges, Municipal Fees, Sale & Hire Charges, Lease amounts Other receipts Sundry receipts, Law charges costs recovered, Lapsed deposits, Fees, Fines & Forfeitures, Rent on Tools & Plants, Miscellaneous Sales etc.
Assigned (Shared) revenue	Entertainment Tax, Surcharge on Stamp duty, Profession Tax, Motor Vehicles Tax
Grants-in-aid	(i) Plan Grants made available through planned transfers from upper tier of Government under various projects, programmes and schemes (ii) Non-Plan Grants made available to compensate against the loss of income and some specific transfers
Loans	Loans borrowed by the local authorities for capital works etc. - HUDCO, LIC, State and Central Governments, Banks and Municipal Bonds

There is an urgent need for BMC to increase its sources of income to fund initiatives restricted to infrastructure development. The corporation needs to find innovative strategies to improve its financial health as done by some other ULBs. Reforms within BMC regarding delegation of power to ward committees and area *Sabhas* are essential for making entire process of policy formulation more democratic and inclusive - same reason for which the corporation was created. It is proposed in the CDP that decision-making should be shifted from the BMC to the grass root level. In order to make the process of development more inclusive and participatory, supervision of infrastructure services to slums should be supervised by women within the community after imparting sufficient training.

Apart from the above government programmes, certain externally funded initiatives directed at the development of children's needs have also been in place in Bhubaneswar. Project *Sammanwasan* urban infrastructure project piloted in Bhubaneswar and Cuttack to develop a sustainable improved sanitation model for urban slums that could be scaled up and replicated in a large number of cities across the world.¹² It was expected to benefit more than 60,000 people in Bhubaneswar. Separate public toilets for boys and girls were to be provided. The initiative is an example of child friendly planning, where planners have taken into consideration children's needs in designing the project.¹³

¹² The project is driven by consortium of BMC, The Bill and Melinda Gates Foundation, the Abdul Lateef Jameel Poverty Action Lab, and Quicksand Design Studio.

¹³ 'Aahwan 2012' Mahanagar Nigam Samachar, Bhubaneswar Municipal Corporation

IV. Where do hurdles lie?

In Bhubaneswar City, land acquisition for slum rehabilitation was a major problem for implementation of RAY, BSUP and IHSDP. The central assistance under RAY did not include cost of land, due to which slums were forced to be shifted to peripheral areas of the city. Against the national average of 5.4 percent, Odisha and BMC have 3.7 percent and 19.5 percent of slum population in the total population respectively. This had direct livelihood repercussions for slum households, who were unable to afford expenses on travel. Adversely affected were children and women, who needed to give up work. Children in the age group of 0-6, constituting 13.4 percent of the total slum population of Bhubaneswar were more vulnerable to drop out of school due to slum rehabilitation.

The budgetary provisions of Bhubaneswar city for the study period showed that the allocated amount for slum development was insufficient, with the state government reporting huge unspent balances for relevant budget heads. The quality of expenditure was affected as major part got spent in the last quarter of a financial year. Maintaining uniform spread of expenditure over a financial year was a crucial requirement for proper implementation of the schemes and effective utilisation of the allocated funds. The quality of assets being created out of such expenditure could be maintained only if expenditure was incurred in a planned manner.

There was discrepancy in the data on slum population and number of slums, which needed to be corrected. Due to strict eligibility criteria for interventions for urban poor, children's needs had been clubbed with general needs. Parameters for housing in slums at State-level were much worse than the national level, further exposing children living in urban poverty to high risk diseases like tuberculosis and other infections because of congestion in dwelling place. Houses constructed under BSUP lacked water and sanitation facilities.

Due to poor sanitation facilities, open defecation has been a major problem in the State, with half of the slum population resorting to it. Further, BMC is faced with shortage of funds for infrastructure development, due to which facilities for children could not be provided in Odisha.

V. Summary of observations

Children in the age group of 0-8 years constitute around 16.5 percent of the total slum population in Bhubaneswar.¹⁴ With such a large percentage, they should be considered important stakeholders for programme meant for urban poor and their needs should be taken into consideration in the design of such schemes. Important parameters at the conception stage of recreation, education, health, sanitation and security need to be looked into. It is essential to have a holistic view when tending to the needs of urban poor children rather than following a piece-meal approach. Further, slum development needs to be look beyond the

¹⁴ Census in India does not provide slum population for 0-8 years. This approximation is based on slum population for 0-6 years in the state and overall population for the state for 0-8 years provided by Census of India, 2011.

prescription of providing dwelling units in Odisha, which itself is not in a good condition as compared to the national average.

It is a huge task to make a huge state like Odisha 'slum free', as cities keep attracting people from rural areas because of better opportunities. The government needs to work with a two pronged strategy where on one hand, the existing living conditions of slum dwellers improve and on the other hand, the carrying capacity of cities is also raised systematically so that they can grow up in a healthy manner. The CDP and DPR, which needs to be submitted for any project approval under JNNURM, needed to be formulated in a more decentralized manner and inputs from all the stakeholders should have been incorporated to make such projects child-friendly. ULBs need to play a proactive role for drafting such proposals and state governments should consider special needs of different stakeholders while formulating any such proposal. ULBs also need to pay attention towards generation of additional resources as there is lack of funds from both the Centre and the State.

It is an erroneous assumption that benefits from urban development, child development, health and education, and slum development programmes would automatically reach the marginalized urban children. Direct policy intervention is needed to address specific problems such as open defecation. It is important to have accurate data for effectively targeting slum children. Since most of schemes for slum dwellers are implemented through Municipal Corporation, greater devolution of, especial untied funds to Corporation shall go a long way in running local initiatives and better implementation of existing programmes for urban poor.

Chapter 5

Review of Public Investments in (undivided) Andhra Pradesh



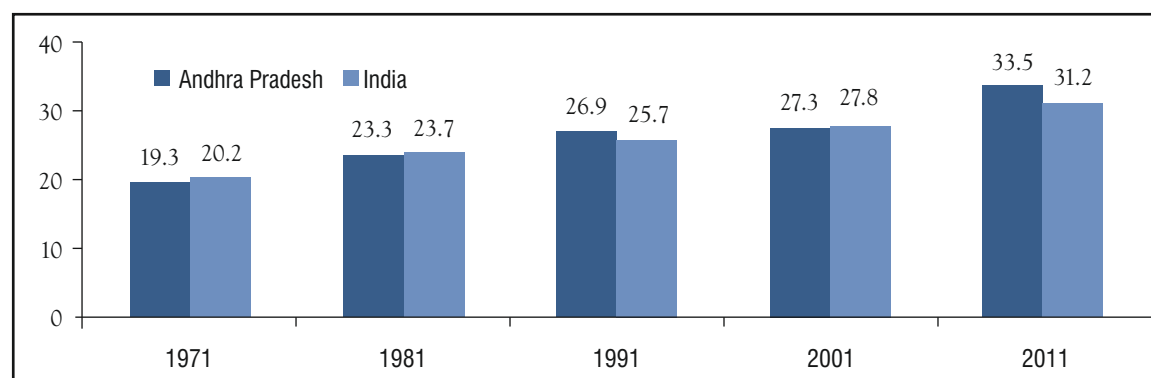
Review of Public Investments in (undivided) Andhra Pradesh

I. Introduction

By 2025, six out of ten children will be living in cities, this shows that urban children are the future.¹⁵ Various indicators of child well-being in India show that it is not only lagging amongst developing countries but with regard to some of indicators, it is even behind sub-Saharan African nations. Poor budgetary allocation for basic needs of children in the country is a major reason for such outcomes. India is one of the lowest spending nations in the fields of health and education. The combined public expenditure (Centre and States) on education is 3.9 percent of the GDP and around 1.2 percent of GDP on health, which is lowest amongst BRICS countries. In the federal set up of India, States have limited resources which increases their dependence on centre for many schemes, including those for children such as SSA, ICDS etc.

The share of urban population in Andhra Pradesh¹⁶ has grown almost at the same rate as that at all India level till 2001 (Figure 14). However, in 2011 the share of urban population in Andhra Pradesh was slightly higher (33.5 percent) compared to the national average (31.2 percent).

Figure 14: Share of urban population in India and Andhra Pradesh, 1971-2011 (in Percent)

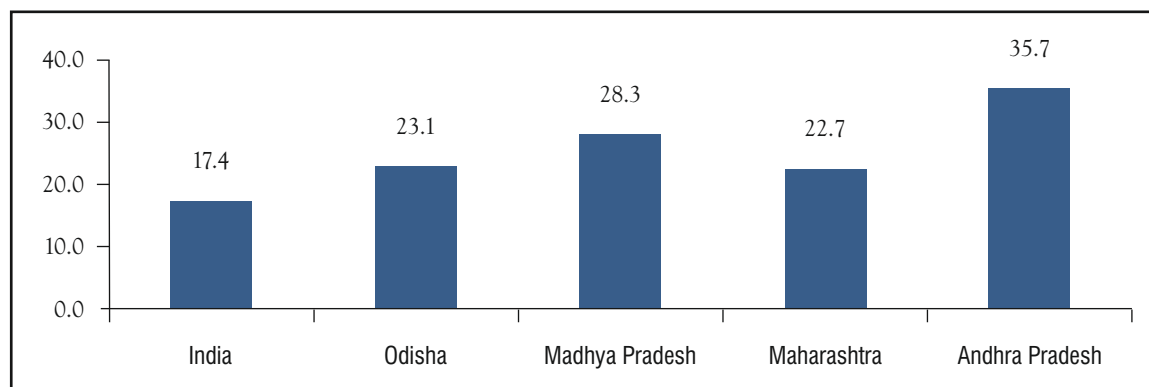


Source: Kundu, A: Trends and processes of Urbanisation in India, 2011 and Census of India, 2011

According to Census 2011, 5.4 percent of the total population in India is living in slums. In Andhra Pradesh and Greater Hyderabad Municipal Corporation, the share of slum population to total population is 12 percent and 33.6 percent respectively. Andhra Pradesh has the highest proportion of slum households in urban areas in the country (35.7 percent). This is more than double the national average (Figure 15).

¹⁵ Stephens, C (2007)

¹⁶ Andhra Pradesh should be read as undivided Andhra Pradesh for this study.

Figure 15: Proportion of Slum Households to Urban Households (in Percent)

Source: Census of India, 2011

As per Census, 2011, among million plus cities in India, Greater Hyderabad Municipal Corporation (GHMC) has nearly 32 percent of the total households in slums which is only next to Mumbai (41.3 percent). With such large population, it would require concerted efforts of the to improve living conditions of people.

Investments in prospective citizens should be viewed as important. Young children in the age group of 0-6 years constitute 13 percent of the slum population in GHMC and 11.3 percent of the total slum population of the State (Table 17).

Table 17: Demographic Characteristics of Slum Population in India, Andhra Pradesh and GHMC

Indicators	India	Andhra Pradesh	GHMC
Total Slum Population	6,54,94,604	1,01,86,934	22,87,014
0-6 year Slum population	80,82,743	11,49,779	2,98,239
Share of 0-6 years old in slum population (percent)	12.3	11.3	13.0
Percent of SC population	20.4	14.0	9.9
Percent of ST population	3.4	2.7	2.2

Source: Census of India, 2011

However, children were not been considered as stakeholders during policy formulation. Each city is required to prepare a CDP which provides a perspective for future development of the city under JNNURM. The vision enshrined in the CDP is the basis on which city undertakes urban reforms. It reflects the needs of different sections that are dependent on the city and a broad plan of the city towards improving their physical well-being in future. A close look at the

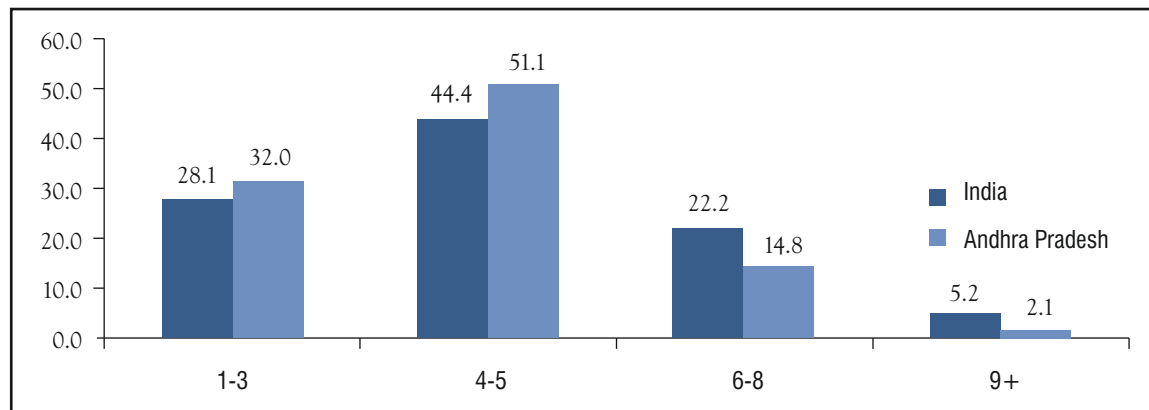
CDP of Hyderabad (detailed in Annexure - 2) showed that essential services affecting children living in poverty were missing from the plan.

II. Budgets for children and urban poor in (undivided) Andhra Pradesh

Housing for poor is not an end in itself but also a means for achieving security, livelihood and more importantly as a mean for a dignified existence. Every child needs a secure and healthy environment for proper growth. Congested dwelling units, unhygienic surroundings, and lack of open spaces for playgrounds make the living in slums difficult for children. Provision of shelter makes it easier for accessing the other needs of education, health, nutrition etc.

Though Andhra Pradesh has the highest proportion of urban households living in slums, a comparison with the national average shows that living conditions of such households is slightly better in the state. However, it cannot be termed satisfactory. 57.4 percent of slum households have own houses at the national level, whereas in Andhra Pradesh, 70.2 percent households own their dwellings. Land tenure is a major challenge, especially for residents of non-notified slums which are not officially recognized and lack access to basic services like water, sanitation etc. There is not only security of tenure but the household also makes incremental improvements.

Figure 16: Size (members) of the Slum Household in Andhra Pradesh and India (in Percent)

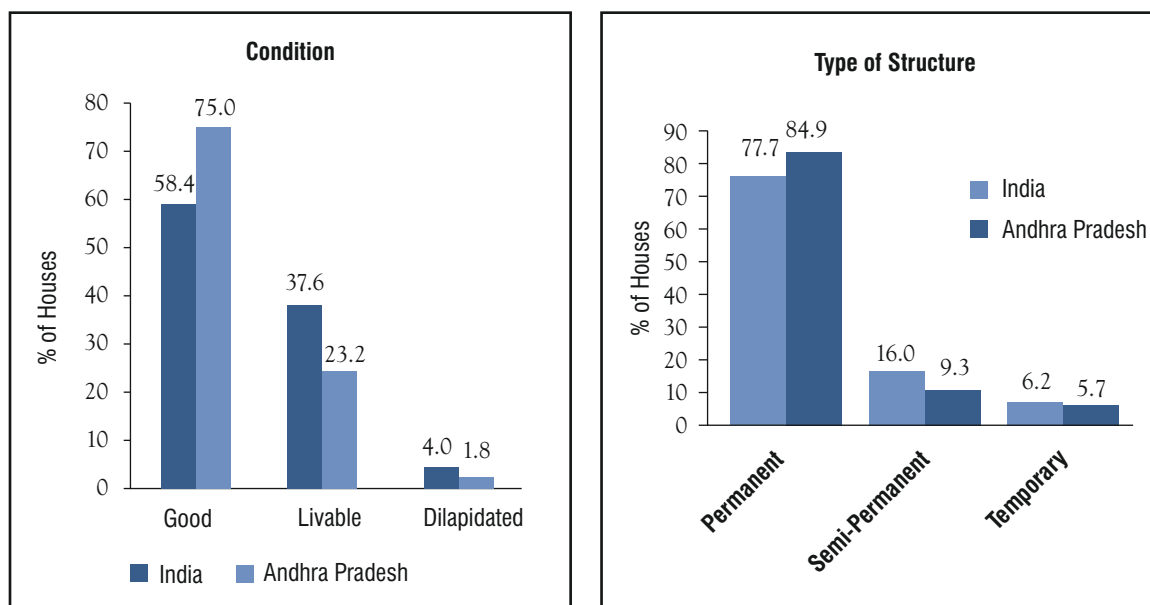


Source: Census of India, 2011

The average household size in slums is smaller in Andhra Pradesh. About 83 percent of the slum households in the state have 5 or less members living in these as compared to 72.5 percent for the same household size at national level (Figure 16).

Close to 85 percent of the slum houses are classified as permanent structures in Andhra Pradesh as compared to 78 percent at the national level. Out of this, 9.3 percent of the slum houses were semi-permanent and 5.7 percent were temporary in the state. Condition of 75 percent slum houses in the state was reported as 'good' whereas the same figure for India stands at 58.4 percent. Further, 23.2 percent slum houses were considered as 'livable' and 1.8 percent as dilapidated by the slum dwellers in the State. (Figure 17).

Figure 17: Condition of Slum Houses and Type of Structure in Andhra Pradesh and India (in Percent)

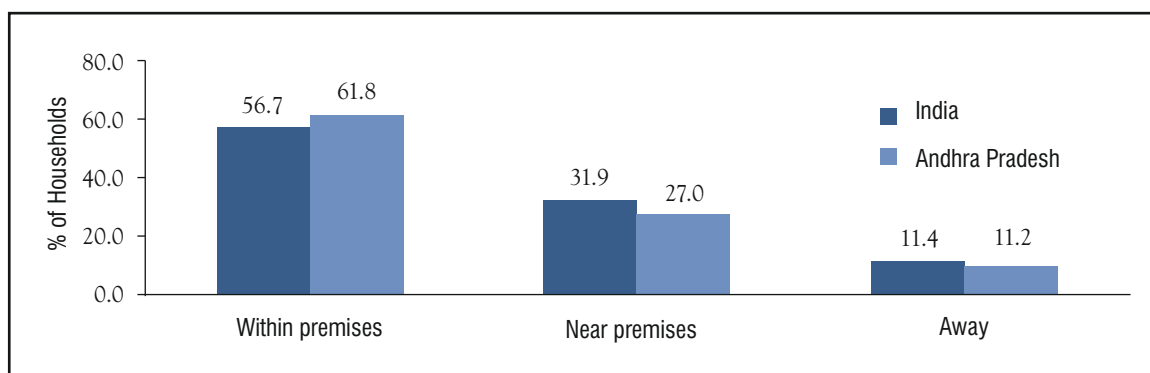


Source: Census of India, 2011

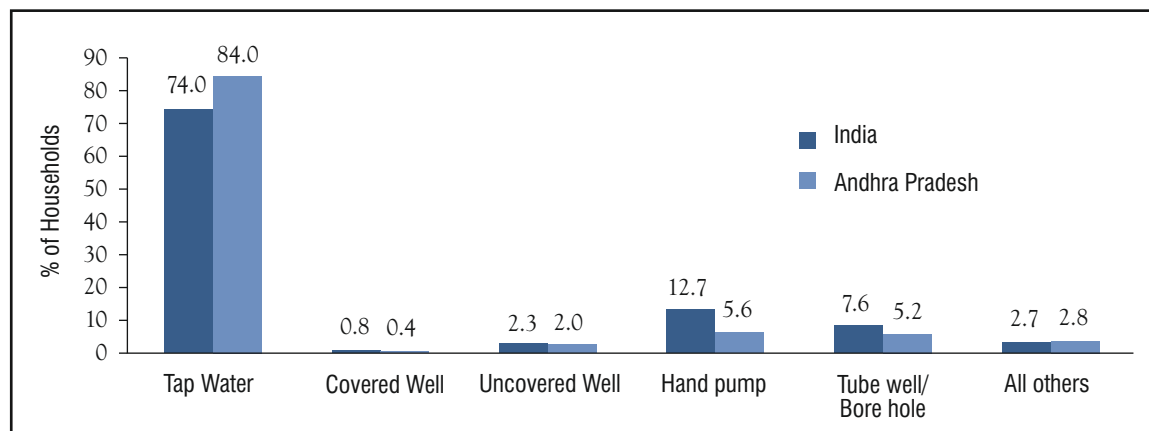
Close to 62 percent slum houses have drinking water facilities within the house as against 57 percent for the rest of India. Tap water is the source of drinking water for 84 percent slum households in the state as compared to 74 percent for the whole country (Figure 18 and 19), while hand pumps and tube wells constitute a source for drinking water for 11 percent of slum households in the state.

More than 11 percent slum households in Andhra Pradesh have drinking water facilities away from their premises, which is the same as at national level - 27 percent slum households in the state have source of drinking water near the premises while 32 percent is the national average.

Figure 18: Location of Drinking Water for Slum Household (in Percent)

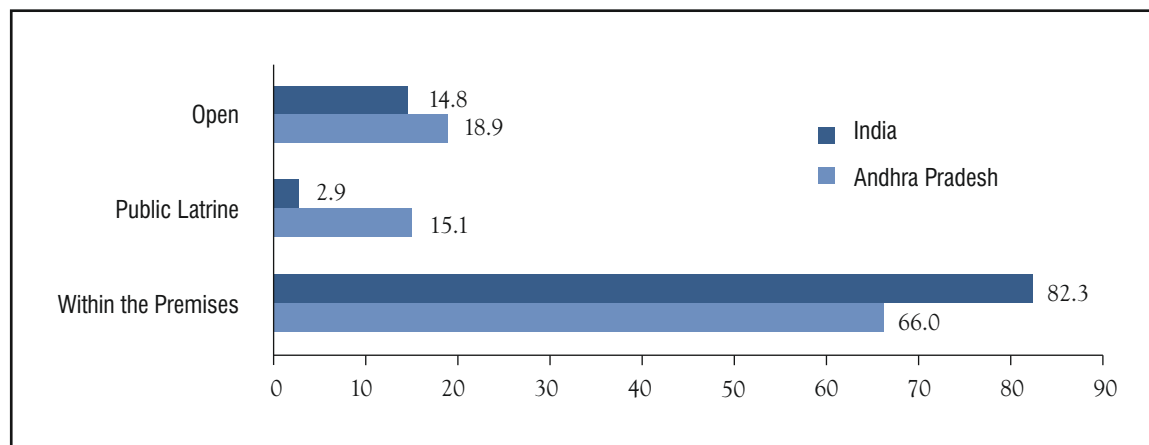


Source: Census of India, 2011

Figure 19: Source of Drinking Water for Slum Household (in Percent)

Source: Census of India, 2011

Sanitation is another big problem for slum households, which impacts children and women more: 15 percent of the slum households in the state resort to open defecation. Public toilets are not as widespread in Andhra Pradesh (2.9 percent) as compared to all India (15.1 percent). 82.3 percent households in the state have latrine facility within the household premises whereas for all India the same figure is 66 percent (Figure 20).

Figure 20: Slum Households by Availability of Toilet Facility (in Percent)

Source: Census of India, 2011

Basic amenities for slum houses in Andhra Pradesh are relatively better when compared with the rest of the country, though these cannot be termed adequate. There are still a large number of houses which lack basic amenities like drinking water and availability of toilets. Lack of access to such amenities has greater repercussions for young children, like non-availability of water within premises results in children being assigned the job of fetching water from outside. People are forced to resort to open defecation because of the non-availability of toilets in their houses. The unsanitary conditions make young children prone to many diseases.

Security of tenure or ownership as along with the size of the family's households has a direct impact on the psychology of children. Overcrowding not only results in heightened exposure to communicable diseases such as tuberculosis and respiratory infections, but such houses are also associated with increased exposure risks to several serious diseases in children such as, meningitis, respiratory diseases like asthma, and even coronary heart diseases later in life.¹⁷ Access to healthy open spaces outside their homes is often difficult for children living in slums. As pointed out by many civil society activists, shrinking urban commons (the spaces yet to be commodified in urban areas) is a cause of concern as these were the only open spaces left for the poor who otherwise resort to cramped conditions. Children are worst suffers in this case as it affects their growth and overall development.

Alleviating Shelter Poverty in Urban Slums: Role of Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

The Department of Municipal Administration and Urban Development has the responsibility of implementing major housing and livelihood schemes meant for urban poor in Andhra Pradesh.

JNNURM was launched by Government of India in December 2005 by the MoHUPA for a holistic and planned development of 65 selected cities in India including Hyderabad, Visakhapatnam, Vijayawada and Tirupati in Andhra Pradesh. Besides infrastructure development, the aim of the mission is to develop amenities for slum dwellers by in-situ development or relocation of such settlements.

Table 18: Expenditure under JNNURM, Andhra Pradesh (in Rs. crore)

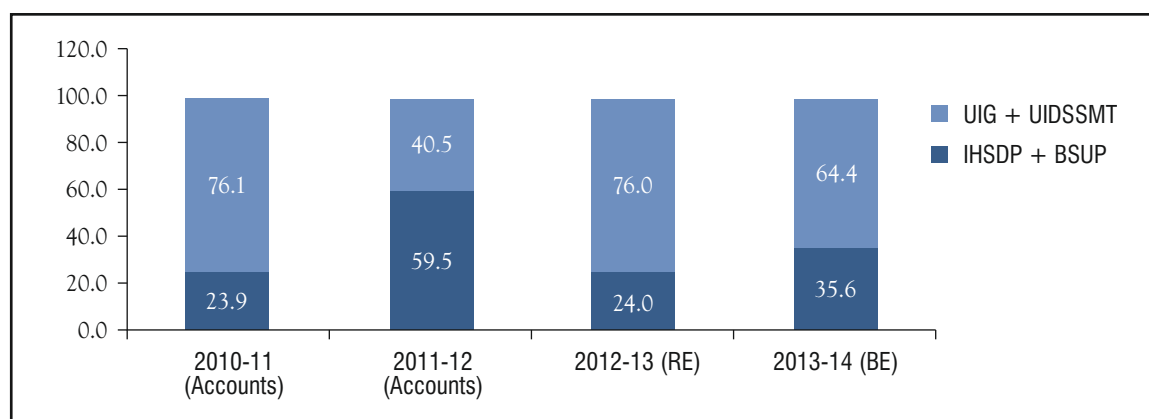
Sub-Missions of JNNURM	2010-11	2011-12	2012-13 (RE)	2013-14 (BE)
Urban Infrastructure and Governance (UIG)	132.7	382.1	289.4	833.9
Basic Services for Urban Poor (BSUP)	209.3	407.3	216.4	572.5
Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)	904.1	51.1	484.9	361.4
Integrated Housing and Slum Development Programme (IHSDP)	116.7	229.3	28.3	87.3
Total Budget for JNNURM	1,362.8	1,069.8	1,019	1,855.1

Source: Demand for Grants for various years, Municipal Administration and Urban Development Department, Govt. of Andhra Pradesh

¹⁷ ibid

A look at the budgetary allocations under JNNURM over the past four years, showed that in the policies for urban areas there was a shift in the emphasis from slum development to infrastructure related component (Table 18). While in the year 2011-12, the share of expenditure on programmes related to slum development was around 60 percent, in the year 2013-14 (BE), the allocation for this, came down to 36 percent. A break up of allocations across JNNURM sub-missions showed that during this period, greater part of the increase was towards the UIG while allocations towards IHSDP decreased. Funds for BSUP increased over the years with intermittent fluctuations. It is noteworthy here that the allocations under the JNNURM depended on project approvals and this could be one of the factors contributing to the yearly fluctuations.

Figure 21: Expenditure Share of sub-Missions under JNNURM, Andhra Pradesh (in Percent)



Source: Demand for Grants for various years, Municipal Administration and Urban Development Department, Govt. of Andhra Pradesh

The overall progress of JNNURM in the state showed that 72 percent of the total approved cost was spent in 7 years starting from 2005: 75 percent of the approved cost under BSUP and 57 percent of approved cost under IHSDP was spent in the same time period. Both these sub-missions provided houses and other necessary infrastructure for slum dwellers. On the other hand, 89 percent and 66 percent utilisation of the approved cost was reported under the sub-missions UIDSSMT and UIG respectively in 2005-2012 (Table 19).

The biggest reason for delay in execution of projects under JNNURM was multiple problems related to acquisition of land. Other reasons include lack of water supply, encroachment on public land, need for approvals and permissions and the lack of capacity of ULBs to mobilize their share of project cost.¹⁸

¹⁸ Are our Cities Child Friendly? Prioritizing Children's Needs in Urban Planning and Development, A Case Study of Hyderabad. Prepared for Humara Bachpan Campaign by AP Alliance for Child Rights, December 2013

Table 19: Progress of JNNURM in Andhra Pradesh, 2005-2012 (in Rs. crore)

Component	No. of Projects	Approved Project Cost	Share of			Releases	Expenditure
			GoI	State	ULB/ Beneficiaries		
UIG	54	5238	2200	817	2221	1971*	3451
BSUP	36	3012	1496	602	914	1422*	2273
UIDSSMT	84	2460	1968	246	246	2272	2194
IHSDP	77	1197	764	155	278	613	678
Total JNNURM	251	11907	6428	1820	3659	6278	8596

Note: *This includes GoI and State Government Share but excludes ULB share

Source: Report of the Comptroller and Auditor General of India on General and Social Sector, Govt. of Andhra Pradesh, 2013

Two major projects were initiated by GHMC as part of BSUP for providing dwelling units to urban poor in Hyderabad city under BSUP by GHMC. Under the first project sanctioned in March 2006, 49,000 houses were to be constructed by March 2008. The second project was sanctioned in February 2008 under which 4,550 houses with provision of infrastructure were to be constructed in Hyderabad. Both these projects were incomplete till June 2012. The physical progress of these two projects is shown in Table 20. The main reason assigned for low occupancy of these houses was lack of basic amenities.¹⁹

According to CDP of Hyderabad, 3,00,000 dwelling units were needed in 2005 to make the city slum free with an investment requirement of Rs. 4,000 crore. Till June 2013, only 78,746 dwelling units were sanctioned to GHMC under JNNURM, out of which 61,437 units were completed. Thus, 21 percent of the required dwelling units for slum dwellers were constructed in 8 years, this figure would have risen up over the study period.

Table 20: Physical Progress of Selected BSUP Projects in Hyderabad City

Scheme/ Programme	No. of Houses Completed	No. of Houses Allotted	No. of Houses Occupied	No. of Houses Allotted but not Occupied
'49,000 Houses'	45,027	36,462	25,971	10,491
'4,550 Houses'	2,534	75	35	40

Source: Audit Report on "General & Social Sector" for the year ended March 2012, Govt of Andhra Pradesh

¹⁹ Audit Report on "General & Social Sector" for the year ended March 2012, Govt of Andhra Pradesh reports that out of 3,809 houses in Ahmedguda colony only 1,255 were occupied on account of fumes/smell from burnt and decayed garbage from a nearby dumping yard

Mission for Elimination of Poverty in Municipal Areas (MEPMA) and RAY

MEPMA (Indira Kranthi Patham), established in 2007, is the state level nodal agency for implementation of RAY and other urban poverty alleviation schemes in Andhra Pradesh. Empowerment of urban poor women, especially those residing in slums, is the main objective of MEPMA. The analysis brings out that budgetary allocations for MEPMA decreased from Rs. 20 crore in 2012-13 (RE) to Rs. 12 crore in 2013-14. Rs. 50 crore was allocated for RAY, which is in its pilot phase in the state, in 2012-13 and 2013-14.

Table 21: Budgetary allocation for MEPMA and Rajiv Awas Yojana, Andhra Pradesh (in Rs. Crore)

Scheme/ Programme	2010-11	2011-12	2012-13 (RE)	2013-14 (BE)
Mission for elimination of Poverty in Municipal Areas (Indira Kranti Patham)	10.3	11.0	20.1	12.0
Rajiv Awas Yojana	0.0	0.0	50.0	50.0

Source: Municipal Administration and Urban Development Department, Govt. of Andhra Pradesh

The Government of Andhra Pradesh has proposed 25 ULBs in the first phase of RAY to develop these as slum free pockets. The estimated requirement for the project period of five years was Rs. 24,567.7 crores. Out of this, 73 percent was assigned to housing, 1.2 percent for education and merely 0.2 percent for health. However, RAY is still in its pilot stage in the state and there has not been much progress beyond the socio-economic survey. Such low priority at the planning level, to education and health shows that interventions for urban poor are centered around provisioning of shelter.

Integrated Novel Development in Rural Areas and Model Municipal Areas (INDIRAMMA)

INDIRAMMA is an ambitious initiative of the government of Andhra Pradesh with a mission to help uplift the poor in rural as well as urban areas by servicing the basic needs with regard to *pucca* houses, drinking water supply, roads, electricity, pension for old and disabled, primary education, nutrition and health facilities. This is an umbrella programme, under which allocations are made by different departments for their focus areas.

Here again, bulk of allocation for urban poor is directed to housing. There are some grants made to urban local bodies for infrastructure, water supply, sanitation etc., but the amount has been small, at around Rs. 7 crore during last three years (Table 22).

Table 22: Budgetary Allocation under INDIRAMMA Programme, Andhra Pradesh, (in Rs. Crore)

Assistance to Municipalities/Corporations under Indiramma Programme for	2009-10	2011-12	2012-13 (RE)	2013-14 (BE)
Water Supply, Tap connections, Drains, Desiltation including Integrated Low cost Sanitation	4.6	6.8	7.0	6.4
Infrastructure including Developmental projects	0.3	0.2	0.3	0.1

Source: Demand for Grants for various years, Municipal Administration & Urban Development and Department of Housing, Govt. of Andhra Pradesh

Environmental Improvement in Urban Slums (EIUS)

The EIUS is being implemented since 1974. The scheme intends to secure healthy and orderly growth of slums in terms of better drainage, adequate street lighting and adequate water supply. The funds received under the scheme were normally released to III Grade Municipalities and Nagara panchayats as ULBs in bigger cities were covered under JNNURM. The 2013-14 budget provided Rs. 1.5 crore for this purpose. Actual expenditure in 2010-11 and 2011-12 was Rs. 0.4 crore and Rs. 0.7 crore respectively (Table 23).

Table 23: Budgetary Allocation under Scheme of Environmental Improvement in Slum Areas of Municipalities (in Rs. Crore)

Scheme/ Programme	2010-11	2011-12	2012-13 (RE)	2013-14 (BE)
Scheme of Environmental Improvement in Slum Areas of Municipalities	0.4	0.7	1.5	1.5

Source: Demand for Grants for various years, Municipal Administration and Urban Development Department, Govt. of Andhra Pradesh

Other Interventions by Municipal Administration & Urban Development Department for Urban Poor

There was a 100 percent increase in the assistance provided to Hyderabad Metropolitan Water Supply & Sewerage Board (HMWS&SB) between 2011-12 and 2012-13, for improved water supply in slums. It went up from Rs. 18.5 crore in 2011-12 to Rs. 37 crore in 2012-13. Allocation was also doubled up for better water supply and sewerage facilities in slums in 2012-13, over the previous year (Table 24).

Table 24: Other Budgetary Allocation for Urban Poor by Municipal Administration & Urban Development Department, Andhra Pradesh (in Rs. Crore)

Scheme/ Programme	2010-11	2011-12	2012-13 (RE)	2013-14 (BE)
Assistance to HMWS&SB for improvement of water supply in slum areas	18.5	18.5	37.0	37.4
Water supply and sewerage improvement to slums	1.3	1.3	2.5	2.6

Source: Demand for Grants for various years, Municipal Administration and Urban Development Department, Govt. of Andhra Pradesh

Living conditions of children in urban poverty are directly linked to the economic condition of the household, which they are part of. Suitable employment opportunities and social security assistance can help ameliorate the living condition of urban poor. The Swarna Jayanthi Sahari Rojgar Yojana (SJSRY) is a major scheme of the government for poverty alleviation in urban areas. SJSRY in its new version, the National Urban Livelihood Mission (NULM), aims at enabling urban poor to access gainful self-employment and skilled wage employment. Actual expenditure under SJSRY in the state was Rs. 25.5 crore, in 2011-12. The state's contribution to SJSRY was reduced from 25.5 crore in 2011-12 to Rs. 18.3 crore in 2012-13, it stood the same in 2013-14 (Table 25).

Table 25: State Share of Budgetary Allocation under Swarna Jayanthi Sahari Rojgar Yojana (in Rs. Crore)

Scheme/ Programme	2010-11	2011-12	2012-13 (RE)	2013-14 (BE)
Employment to the urban poor under Swarna Jayanthi Sahari Rojgar Yojana*	5.7	25.5	18.3	18.3
Interest free Loans (<i>Vaddi Leni Runalu</i>)	0.0	0.0	140.1	147.4

Note: *only matching state share included

Source: Demand for Grants for various years, Municipal Administration and Urban Development Department, Govt. of Andhra Pradesh

Vaddi Leni Runalu (Interest-free loans to SHGs)

The Government of Andhra Pradesh introduced 100 percent interest subsidy on bank loans availed for SHGs since the beginning of the year 2012. Under this scheme, interest on loans taken by SHGs is reimbursed if the repayment installments are followed timely. The scheme was introduced with a view to encourage better repayment, to reduce the interest burden on

the urban poor and to improve profitability of SHG enterprises. The budgetary allocation for this scheme was increased from Rs. 140 crore in 2012-13 to Rs. 147 crores in 2013-14 (Table 25). As most of the SHGs have female members, and as is known that income of a female in a household has higher positive impact for children, this intervention is not just expected to strengthen women's position, but also translate into benefits for children as well, who have a greater susceptibility to multiple ills of urban poverty.

III. Budgets for children and urban poor under Greater Hyderabad Municipal Corporation (GHMC)

Majority of schemes for urban poor are implemented by ULBs in States. The budget of GHMC was Rs. 1,605 crores in 2010-11 and increased substantially to Rs. 3,800 crores in 2013-14. The GHMC budget has a separate head for slum development - wherein the allocation increased from Rs. 204 crores in 2010-11 to Rs. 967 crores in 2013-14, or doubled (Table 26).

Table 26: Share of Slum Development in Greater Hyderabad Municipal Corporation Budget (in Rs. Crore)

Items	2010-11	2011-12	2012-13 RE	2013-14 BE
Total Expenditure (Capital + Revenue) of GHMC	1605.0	1668.6	2664.0	3800.0
Slum Development (Total) Expenditure	203.9	238.2	416.7	967.4
Share of Slum Development (Total) Expenditure in Total Expenditure of GHMC (in percent)	12.7	14.3	15.6	25.5

Source: Annual Budget for various years, Greater Hyderabad Municipal Corporation

A close look brings out that major part of the total expenditure on slum development by GHMC is capital expenditure, implying asset creation.

**Table 27: Types of Expenditure (Revenue and Capital)
on Slum Development, GHMC (in Rs. Crore)**

Items	2010-11	2011-12	2012-13 RE	2013-14 BE
Total Revenue Expenditure of GHMC	1000.9	1103.2	1351.0	1529.0
Revenue Expenditure under Slum Development	10.5	9.7	33.1	37.9
% Share of Revenue Expenditure under slum development out of total Revenue Expenditure of GHMC	1.1	0.9	2.4	2.5
Total Capital Expenditure of GHMC	604.1	565.4	1313.0	2271.0
Capital Expenditure under Slum Development	193.3	228.5	383.7	929.5
% Share of Capital Expenditure under Slum Development out of total Capital Expenditure of GHMC Share of Slum development	32.0	40.4	29.2	40.9

Source: Annual Budget for various years, Greater Hyderabad Municipal Corporation

Details of revenue expenditure for slum development by GHMC

Besides salary and other allowances, heads like community mobilisation and capacity building etc. have been part of revenue budget of slum development under the GHMC. There is marked increase in allocations under this head from Rs. 1.9 crore in 2011-12 to Rs. 9 crore in 2013-14 (Table 28). A programme like RAY requires community mobilization for taking slum dwellers into confidence for effective implementation of the scheme. There is a need for capacity building of the staff and volunteers to ensure that beneficiaries take part in the implementation process of schemes to make the process more participative.

Table 28: Detail of Revenue Expenditure on Slum Development, GHMC (in Rs. crore)

Head of Revenue Expenditure	2010-11	2011-12	2012-13 (RE)	2013-14 (BE)
Salary and other allowances	6.6	6.2	4.6	5.4
Other office expenses	0.1	0.1	1.2	1.3
Community organisation/mobilisation/capacity building/training	0.7	1.9	7.0	9.0
Aasara for old age senior citizens programme expenses	0.1	0.0	0.5	1.0
Disbursements to T&S/DWCUA and SHGs under SJSRY	0.0	0.7	3.5	3.5
MEPMA 3.0	0.9	16.3	17.6	
Total Revenue Expenditure under Slum Development	10.5	9.7	33.1	37.9
Total Revenue Expenditure of GHMC	1000.9	1103.2	1351.0	1529.0

Source: Annual Budget for various years, Greater Hyderabad Municipal Corporation

Mission for Elimination of Poverty in Municipal Areas (MEPMA) is implementing various schemes for urban poor in the city. With the expansion of its capacity, revenue expenditure for MEPMA has increased over time. The actual revenue expenditure under MEPMA was Rs. 9.7 crore in 2011-12, which raised to Rs. 37.9 crore in 2013-14 (BE). Other major allocations in 2013-14 include disbursements to SHGs under SJSRY. The share of ULBs/ beneficiaries in all sub-missions of JNNURM in Andhra Pradesh was 31 percent of the total project cost. ULBs was dependent on state governments because of their poor financial health. Low income of slum dwellers made it difficult for them to contribute their share as beneficiaries under BSUP and IHSDP. This was also one of the reasons for houses built under these schemes lying unoccupied for long time (further details can be seen in Annexure-1)

Details of capital expenditure for slum development by GHMC

Construction of housing units for poor in municipal areas constituted major part of capital expenditure under slum development, increasing from Rs. 203 crores in 2012-13 to Rs. 664 crores in 2013-14.

Table 29: Capital Expenditure on 'Housing' and other heads under Slum Development, GHMC (in Rs. Crore)

Head of Capital Expenditure	2010-11	2011-12	2012-13 RE	2013-14 BE
Land Acquisition (1)	0.0	115.9	50.0	65.0
Construction of Community buildings (2)	1.7	5.0	9.2	10.1
Construction of housing units for poor (3)	173.3	99.7	203.1	663.7
Total expenditure on housing and related heads (4)=(1+2+3)	175.0	220.6	262.3	738.8
Share of total Expenditure on housing and related heads (4) in total Capital Expenditure under Slum Development	90.5	96.5	68.4	79.5

Source: Annual Budget for various years, Greater Hyderabad Municipal Corporation

If allocation under 'land acquisition' and 'construction of community buildings' are added, it amounts to 79.5 percent of the total capital expenditure on slum development. The share of these three heads in actual expenditure in 2010-11 and 2011-12 is 90.5 percent and 96.5 percent respectively. This further corroborates finding in earlier section that housing is the major intervention by State for urban poor.

Capital expenditure on roads, subways, bridges etc. under slum development

Upgradation of major and minor roads, construction of subways, bridges, foot over bridges and traffic signals & signage constitutes 11.6 percent of the total capital expenditure for slum development in 2013-14. Expenditure on such infrastructure might not benefit slum dwellers directly. Budgetary allocations for these heads have seen a drastic increase in 2012-13 and 2013-14 over the actual expenditure in previous years.

Table 30: Capital Expenditure on Roads and other Infrastructure under Slum Development, GHMC (in Rs. crore)

Head of Capital Expenditure	2010-11	2011-12	2012-13 RE	2013-14 BE
Construction of bridges, ROB, RUB & Culverts (1)	0.0	0.0	4.0	20.0
Construction of subways and foot over bridges (2)	0.0	0.0	2.0	5.0
Major roads development/ upgradation (3)	4.3	1.0	9.9	18.6
Minor roads development/ upgradation (4)	0.5	2.5	32.2	55.0
Traffic signals and signage (5)	0.0	0.0	9.0	9.0
Total (6)=(1+2+3+4+5)	4.8	3.5	57.1	107.6
Percent share of Total (6) in Capital Expenditure under Slum Development	2.5	1.5	14.9	11.6

Source: Annual Budget for various years, Greater Hyderabad Municipal Corporation

Capital expenditure on drainage and water supply under slum development

Allocations for construction and improvement of storm water drains, drainage and sewerage lines have improved significantly in 2012-13 and 2013-14 (Table 31). Total funds earmarked for these heads was Rs. 58.6 crore in 2012-13 and Rs. 75.8 crore in 2013-14. However, allocation for laying water supply lines has decreased (Rs. 0.3 crore in 2012-13 and Rs. 0.4 crore in 2013-14) over the actual expenditure in 2011-12 (Rs. 1.7 crore). Poor access to drinking water and sanitation a major problems for slum dwellers and young children suffer THE most for lack of these facilities. Apart from expenditure on housing, capital expenditure, (shown as expenditure for slum development) GHMC fails to address basic needs of urban poor. It is only such expenditures, which remotely address the issue of urban poverty, whose sizes have increased in the last two years. Water supply and sanitation are other major problems in slum areas, which require enhanced capital expenditure under GHMC.

Table 31: Capital Expenditure on 'Drainage and Water Supply' under Slum Development, GHMC (in Rs. Crore)

Head of Capital Expenditure	2010-11	2011-12	2012-13 RE	2013-14 BE
Footpaths and table drains (1)	0.0	0.0	0.3	0.5
Construction & Improvements of Major storm water drains (2)	1.6	0.1	31.5	28.8
Construction & Improvements of Minor storm water drains (3)	9.2	1.0	23.5	39.0
Construction & Improvements of Sewerage Lines (4)	1.6	1.4	3.6	8.0
Laying of Water Supply Lines (5)	1.1	1.7	0.3	0.4
Total (1+2+3+4+5)	13.5	4.2	59.2	76.7

Source: Annual Budget for various years, Greater Hyderabad Municipal Corporation

Capital expenditure on 'Parks and Playgrounds' under slum development

GHMC also looks after colony parks and play grounds in the city. Funds for construction and improvement of colony parks, playgrounds and stadia have grown in 2012-13 and 2013-14 over the actual expenditure in previous years. These allocations are also part of the head 'Slum Development'. In the absence of playgrounds in slum areas, children are forced to use unhygienic spaces for playing, which increase their vulnerability to various diseases and injuries. Construction and improvement of playgrounds in slum areas is a welcome step. However such parks or stadia are mainly concentrated in the city, hence these allocations would be diverted to city spaces or left unspent like previous years where actual expenditure was almost negligible (Table 32).

Table 32: Capital Expenditure on 'Parks and Playgrounds' under slum development, GHMC (in Rs. Crore)

Head of Capital Expenditure	2010-11	2011-12	2012-13 RE	2013-14 BE
Construction & Improvements of colony parks	0.1	0.1	3.0	3.7
Construction & Improvements of playgrounds/stadia	0.0	0.0	2.3	2.9

Source: Annual Budget for various years, Greater Hyderabad Municipal Corporation

Municipal reforms in GHMC

ULBs are dependent on State Government for resources, and in most cases, the assigned sources of revenue are not fully utilized by them due to lack of reforms. Major sources of tax revenue for corporation are property tax, octroi and advertisement tax. Non-tax revenue sources are various user charges, municipal fees, fines etc. GHMC initiated several reforms to improve service delivery and strengthen municipal performance in the city. Some of these reforms are in tune with the 74th Constitution Amendment Act and include formation of ward committees for effective administration through decentralization. It also adopted area based property tax system, modified accrual system for accounting, e-governance initiatives etc. in order to improving its financial health. It needs to further strengthen its resource base to undertake interventions in critical areas like health and education for the urban poor.

Box 10: Child friendly housing project to the families of Brick Kiln workers in Andhra Pradesh - Implemented by Aide et Action with the support of Bernard Van Leer Foundation (BvLF)

Every year, hundreds of families from Odisha migrate to Andhra Pradesh to work in the Brick Kilns. They live in abject poverty and lead a miserable and isolated life. Their children especially live in unsafe and unhealthy environments. Most importantly, they are denied their right to education.

In a first of its kind initiative in India, Aide et Action partnered with Bernard Van Leer Foundation to construct model houses for the families of Brick Kiln workers from Odisha at Jinnaram, Medak District, Hyderabad. The housing project consisting of 12 houses accommodates 12 families. This is specially designed to be child-friendly to protect the children from dust and pollutants. The project also accommodated a learning centre where children were given education in their mother tongue – Odia by volunteers. The child-friendly learning space could accommodate upto 50 children.

Source: <http://www.aea-southasia.org/>

Box 11: Sustained Finance Reforms for Optimal Resource Mobilization (Ahmedabad Municipal Corporation, Gujarat)

Despite a large budget, Ahmedabad Municipal Corporation (AMC) faced a serious financial crisis in 1993-94 as it had been spending beyond its means. It had accumulated cash losses of Rs. 350 million and drawn a bank overdraft of Rs. 220 million. AMC's system of property tax assessment was very complicated and irrational in many ways. Based on notional rental value of properties, the assessed values were very low. The octroi department of AMC had a worse reputation in 1993-94. People perceived it to be full of corruption. Most people thought it was easy to evade octroi by under-invoicing goods, dodging check posts, or paying small bribes. Basic infrastructure in the city was in bad condition. Projects were either financed from surplus revenue income or deferred year after year as the corporation was dependent on State Government for grants or loans from HUDCO or LIC backed by State Government guarantees.

The corporation implemented effective measures to raise its octroi and property tax collections substantially in a short period of time. The AMC's strategy for improving octroi collection was based on greater vigilance at *nakas*, strict action against tax evaders and corrupt staff, rationalization of rates and procedures and use of better communication technology. Thereafter, it issued municipal bonds in a pioneering format and reformed its system of property tax assessment. Due to success of these initiatives, AMC's financial condition completely turned around. In terms of financial health, AMC is considered to be one of strongest ULBs in India.

Source: Best Practices in the Financial Management of Urban Local Bodies in India (2009), Yashwantrao Chavan Academy of Development Administration

Box 12: Resource Mobilization for up gradation of School Infrastructure (Greater Visakhapatnam Municipal Corporation, Andhra Pradesh)

Most of the Greater Visakhapatnam Municipal Corporation (GVMC) schools were having problems like insufficient class rooms, lack of furniture, shortage of teachers and security staff, poor sanitary conditions because of lack of maintenance and inadequate toilets.

G.V.M.C. Sweekaaram Education Society (S.E.S) was formed to monitor receipt from donors. Under the Societies Act donors are subject to exemption from Income Tax under Section 80G. Donors were allowed to use their own contractors for fulfilling the works. They were also allowed to make donations for specific work in school of their choice. The school could be named after the donor if the donation made was more than Rs. 5 Lakh. Some 39 Organizations / Donors have voluntarily come forward to donate an amount of Rs. 7 Crores for the all-round development of schools. Out of which, during the year 2008 - 2009, 18 Private Organizations have so far entered M.O.U.'s with G.V.M.C's S.E.S to take up various developmental activities in various GVMC Schools with an estimated amount of Rs. 300 Lakhs.

Source: Best Practices in the Financial Management of Urban Local Bodies in India (2009), Yashwantrao Chavan Academy of Development Administration

IV. Where do hurdles lie?

The share of urban population in (undivided) Andhra Pradesh (33.5%) has risen than the national average (31.2%) in 2011 Census. This is also is the highest State with 35.7 percent share of slum to total population, which is double than the national average of 17.4 percent. Children in the age group of 0-6 constitute 11.3 percent and 13 percent of the total population of the State and GHMC respectively. However, in the CDP of Hyderabad, children have been left out as stakeholders in policy formulation, adversely affecting essential services for children in urban poverty.

Although indices for slum housing in Andhra Pradesh reflect a better picture than the national average, there were major delays in execution of projects under JNNURM due to problem of land acquisition. Some other problems that indirectly affected children's amenities in slums in Andhra Pradesh included lack of water supply, encroachment on public land, unnecessary approvals and permissions and lack of capacity of ULBs to mobilize their share of project cost.²⁰ It could also be observed that interventions at the State-level emphasised on housing with low priority to health and education of children. Within housing, the progress was very slow. RAY, which had proposed 25 ULBs in phase I was only in the pilot stage without any progress beyond the socio-economic survey.

With a marked increase in the budget of GHMC, it could be seen that most of it was being utilised for asset creation, mostly for construction of housing units, roads, bridges, drains etc. The allocations provided under 'Slum Development', remained unspent due to which access to facilities like early childhood care, education and simple recreational needs like playground could not be provided to children. In the absence of playgrounds in slum areas, children were forced to use unhygienic spaces for playing, which increased their vulnerability to various diseases and injuries.

V. Summary of observations

Planning for urban poor is restricted to provisioning of housing. It is the right of every child to explore an opportunity or talent and State should provide all means to support this right. Education and health are major components of holistic growth of a child. In most cases, children are not heard and their opinions are not sought in simple decisions related to their lives. They are also excluded from policy formulation of CDP of the State. Parents' role is important, especially for children living in slums, as they are more vulnerable. Parents need to be capacitated to take proper care of their children. They should understand the rights and needs of children and become intermediaries to facilitate provision of children's rights from the State. Parents need to be provided information on issues and this is where the role of NGOs becomes important. Campaigns championing causes and rights of children will be invigorated if parents are also taken along.

²⁰ Are our Cities Child Friendly? Prioritizing Children's Needs in Urban Planning and Development, A Case Study of Hyderabad. Prepared for Humara Bachpan Campaign by AP Alliance for Child Rights, December 2013

With emphasis on Slum Housing Schemes in Andhra Pradesh, relocation needs to be revisited for effective convergence with various departments providing other services made part of the guidelines. JNNURM, RAY and SJSRY were major urban poor focused schemes looking after housing, amenities and employment. To make them child-friendly, explicit provision for schools and playgrounds should have been made in the guidelines. There should be provision for parents' counseling on dealing with various vulnerabilities for children and role of parents in a child's life. Vulnerabilities of children in urban areas need to be tackled using multi-pronged approach. Education, health and nutrition should be provided with direct intervention. Awareness among parents needs to be created since child exercises his/her rights through them.

Chapter 6

Review of Public Investments in Maharashtra



Review of Public Investments in Maharashtra

I. Introduction

Since most employment opportunities are in cities, rural-urban migration has been a continuous phenomenon in India. Poor people from rural areas mostly migrate to cities to seek employment and often end up in low income jobs. Low incomes often put them in slum areas which are marred by lack of basic amenities. Rising incidence of migration also creates new slums in the cities. It is widely acknowledged that living conditions in urban slums are poor and there exist huge gaps in provision of essential services to them. This has adverse impact on well-being of people living in these areas.

Though people living in urban slums face a number of deficits, it is children who face greater deprivations. Issues relating to children are often not adequately recognised in government policies and programmes aimed at improving living conditions in slums. Although Government of India has introduced number of schemes to address challenges put forth by urbanisation and rise of slums, these programmes remain blind to challenges confronting children living in slums. For instance, Mumbai CDP (2005-25) envisaged to transform Mumbai into 'City of the Millennium' with focus on economic growth, transportation, housing, finance, governance and other infrastructure, but is oblivious to issues and perspective of children. In the given scenario, the study focuses on government initiatives to improve living conditions of children in 0-8 age group living in urban poverty, who constitute one of the most vulnerable groups in the society.

This chapter focuses on analysing budgetary provisions under various schemes meant for urban poor, especially children, by the Government of Maharashtra and the Municipal Corporation of Greater Mumbai (MCGM). Only few departments have schemes that are designed specifically for children. Public provisioning and outcomes of various schemes from the year 2010-11 have been analysed in this chapter. It also pays attention to the perceptions of different stakeholders about functioning of these schemes and programmes.

Rural-urban migration has been the most important factor for growth of slums in India. Census 2011 reveals an increase in the number of households in Maharashtra from 0.8 crore in 2001 to 2.56 crore in 2011, showing a decadal increase of 31.1 percent (25.6 percent for rural and 37.7 percent for urban parts of the state). High growth of urbanization has implications for poverty in general and housing poverty in particular. The National Sample Survey (NSS) in 2008-09 estimated a total of 48,994 slums in India, with Maharashtra accounting for nearly 35 percent of the notified and non-notified slums. According to the Census, 2011, 189 towns

of Maharashtra have reported existence of slums with a total population of 1.18 crore.²¹ Population in notified slums is 37.09 lakh, whereas recognized and identified slums have 34.84 lakh and 46.53 lakh population respectively.

Table 33: Key indicators of urban slums in Maharashtra and India (in %)

Key Indicators for Urban Slums	Maharashtra		All India	
	NT	NN	NT	NN
Slums on private land	29	55	48	41
Slums having pucca Structure	80	48	85	42
Slums benefited from Welfare Schemes	23	15	32	18
Tap Water for Drinking	84	81	82	64
No Electricity for Street lights & Household use	-	13	0.1	11
Pucca Roads within Slum	78	56	83	55
No Latrine Facility	15	26	16	42
Slums without Drainage Facility	58	26	11	45
Slums without Garbage disposal arrangement	14	18	11	38
Slums approach road waterlogged due to rainfall	18	30	35	29

NT = Notified; NN = Non-Notified; * = Estimate not presented as no. of sample slums is less than 10.

Source: Key indicators of Urban Slums in India, NSS 69th round, National Sample Survey Office, Ministry of Statistics & Programme Implementation, GoI, 2013.

Most indicators in Table 33, notified slums of Maharashtra have a poor record as compared to notified slums at all India level. About 80 percent of notified slums in Maharashtra have *pucca* structure as compared to 85 percent notified slums at all India level. Only 23 percent of slums in the State have benefited from welfare schemes as compared to 32 percent of notified slums at all India level. Condition in water and sanitation sector is also poor. Poor quality of basic services has direct bearing on children living in urban slums of Maharashtra.

Population of children in 0-18 years age group in Maharashtra is around 4 crore, out of which 1.3 crore are in the age group of 0-6 years.²² Out of these 14.3 lakh children in the age group of 0-6 years, reside in slums in Maharashtra.²³ This constitutes 10.7 percent of total slum population in the State.

²¹ Primary Census Abstract for Slum, 2011, Registrar General & Census Commissioner, India, 2013

²² United Nations Population Fund (2009-10) population projection.

²³ Census 2011.

Table 34: Region-wise Incidence of Child Poverty across social groups in Urban sector, Maharashtra(in %)

Region	ST	SC	OBC	Others	Total
Coastal	16.4	23.2	25.1	21.6	22.5
Inland Western	38.9	64.9	44.7	40.5	46.1
Inland Northern	54.9	71.6	61.0	47.7	57.8
Inland Central	73.7	72.1	74.2	75.6	74.3
Inland Eastern	72.9	58.5	38.6	62.0	51.9
Eastern	61.1	71.0	34.2	26.6	39.0
Total	43.7	52.7	40.9	38.4	41.9

Source: Maharashtra Human Development Report – Toward Inclusive Human Development, 2012, Pune.

Table 34 shows region-wise incidence of child poverty across social groups in the State. Children belonging to marginalised sections are more prone to poverty. High incidence of poverty is also reflected in poor development indicators, such as education, health, nutrition and child labour, for these children.

Though the total sex-ratio of Maharashtra has shown a marginal improvement, it was 925 in 2011 vis-à-vis 922 in 2001. There was however, a drop in the child sex ratio (0–6 years), from 913 in 2001 to 884 in 2011. While there was hardly any decline reported in the prevalence of stunting between the period of NFHS-2 and NFHS-3, the Comprehensive Nutrition Survey in Maharashtra (CNSM) report finds a significant reduction in these indicators over the period 2006–2012, which is noteworthy. Severe Anaemic Malnutrition, which is the most extreme form of acute under-nutrition, is reported to afflict 5.2 percent of children in Maharashtra. Percentage of children suffering from Severe Anaemic Malnutrition is slightly higher in rural areas, in Mumbai slums, amongst the SC and in population belonging to the second lowest wealth index category.²⁴

Following the State trend of urbanization, population living in Greater Mumbai grew from 0.9 million in 1901 to 8.2 million in 1981 and reached 12.44 million in 2011. Mumbai slum population is the highest among the five metropolitan cities. According to the Census 2011, total slum population of Greater Mumbai is 5.2 million with 1.1 million households. Child population (0-6 years) living in slums of MCGM is estimated to be around 10.87 percent of total slum population. Around 41 percent of total urban households in Mumbai are slum households.²⁵ However, according to the government officials this could be an underestimation. An example cited was according to Census 2011, share of slum population in Kalyan (part of Thane district) was 2.9 percent only, despite Kalyan being largely a slum town.

²⁴ Maharashtra Human Development Report – Toward Inclusive Human Development, 2012, Pune.

²⁵ C. Chandramouli, "Housing Stock, Amenities & Assets in Slums – Census 2011", Registrar General and Census, New Delhi, 2011.

II. Budgetary allocations for services to urban poor in Municipal Corporation of Greater Mumbai

There are a range of schemes and programmes being implemented by the Municipal Corporation of Greater Mumbai for providing essential services to urban poor. Table 35 shows key interventions being implemented by various departments under MCGM provisions for services to urban poor.

Table 35: Allocations for Services to Urban Poor under different departments of MCGM (in Rs. crore)

Fund Code	Function Description	2009-10 (BE)	2010-11 (BE)	2012-13 (BE)	2013-14 (BE)
	(A) Total allocation for Urban Poor				
11	Urban Poverty Alleviation	45.4	33.7	30.7	31.2
11	Unforeseen Expenditure	65.0	65.0	111.4	111.4
11	Conservancy Services in Municipal & Government Slums	89.6	104.7	111.8	115.1
11	Conservancy Services in Declared Private Slums	0.7	0.0	0.0	0.0
11	Slum Adoption Programme	57.1	61.0	42.0	7.0
11	Clean Dharavi & Healthy Dharavi Programme	0.5	0.6	0.7	0.7
11	Mumbai Vasti Prabhodhan Abhiyan	0.0	0.0	0.0	60.0
12	Health	1482.2	1667.1	2079.2	2247.4
21	Improvement of Chawls	364.3	253.2	345.0	387.2
22	Slum Clearance	6.5	4.7	4.8	4.2
23	Up gradation of Slums	277.8	174.7	151.3	151.9
30	Primary Education	1651.1	1792.0	2342.6	2472.4
40	Urban Poverty Alleviation (Capital Expenditure)	72.2	48.7	58.3	47.4
40	Water Subsidies	0.0	0.0	1,050.7	1,081.0
	Total (A)	4,112.4	4,205.2	6,328.5	6,717
	Total Budget Expenditure of MCGM (B)	19,773.6	20,417.3	26,581	27,578
	A as % of B	20.8	20.6	23.8	24.4

Source: MCGM Budget Documents for various years. Allocation for secondary education under services to urban poor is not included. Note: Allocation includes Revenue and Capital Expenditure.

Table 35 shows that budgetary allocation for urban poor by MCGM ranges between 21 to 24 percent of its total budget from 2009-10 to 2013-14. There has been marked decrease in allocations under urban poverty alleviation, slum adoption programme and up-gradation of slums. On the positive side, water subsidies have been introduced since 2012-13. Table 36 shows budgetary allocations for urban poor across key sectors. Allocations under primary education and health have undergone an increase over last four years; however budgetary outlays for urban poverty alleviation have decreased during the same time period.

Table 36: Budgetary Allocations for various development indicators to Urban Poor by MCGM (in Rs. Crore)

Development Indicators	2009-10 (BE)	2010-11 (BE)	2012-13 (BE)	2013-14 (BE)
Water	0	0	1,050.7	1,081.1
Health	1,482.2	1,667.1	2,079.2	2,247.4
Primary Education	1,651.1	1,792.0	2,342.6	2,472.3
Urban Poverty Alleviation	1,17.6	82.40	89.1	78.7
Services to Slum and Cleanliness	796.5	588.8	655.5	726.2
Others [Unforeseen Exp.]	65.0	65.0	111.4	111.4

Note: Allocation includes Revenue and Capital Expenditure. Source: MCGM Budget Documents for various years.

a. Concerns of children in the transport sector under MCGM

With fast pace of urbanisation of cities, motorization is also taking place. Large presence of vehicles is a concern for general public, especially young children, given associated hazards. Level of air and noise pollution, traffic, and road accidents are the major criteria that define city's safety from children's perspective. In India, one road accident happens every 60 seconds killing one person every 3.7 minutes. Maharashtra recorded highest number of road accidents- 68,438 in 2012,²⁶ with Mumbai reporting 24,592 road accidents in 2011.²⁷ In this context, it is critical to look at the budgetary allocations made by the State Government and the MCGM to the Transport sector. Table 37 shows budgetary allocations for Metro Railway Project and Urban Transport Project in Mumbai by Urban Development Department of Maharashtra. MCGM also makes budget allocations under budget head 'Road and Traffic Department/44' for construction of roads.

²⁶ Rajiv Theodore, 'Road to hell - every 3.7 minutes, death swoops in', The American Bazar, 21 August, 2013.

²⁷ Transport Research Wing, 'Road Accident in India 2012', Ministry of Road Transport and Highways, GoI, 2012.

Table 37: Allocations made by Maharashtra Urban Development Department for Mumbai²⁸ (in Rs. Crore)

Demand No	Item Details	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
F	Mumbai Metro Railway Project	0.0*	75.0	300.0	150.0
F	Add. Central Assistance to Mumbai Urban Transport Project	70.6	22.1	150.0	150.0

^ Expenditure includes both plan and non-plan amount. * Loan to Mumbai Metro Regional Authority (Cap. Exp) not included. It was given in 2010-11 only. Also, JNNURM & SJSRY allocation are for whole State thus not included Mumbai specific allocation.

Source: Budget Documents of Urban Development Department for various years

Budget C of MCGM contains income and expenditure of Brihanmumbai Electricity Supply and Transport (BEST). BEST is an autonomous organization with independent management. As on 2011, BEST ran a total of 4700 buses, ferrying 4.5 million passengers over 365 routes, having a workforce of 44,000, including 25,000 bus drivers and conductors. Following court directives, the company launched limited 'disabled friendly' buses on exclusive routes in 2005, having low ramps and space for wheelchairs.²⁹

Table 38: Summarised Expenditure on Electricity Supply & Transport by Brihanmumbai Electricity Supply and Transport (in Rs. crore)

Year	Electricity Supply	Transport
2008-09 (Actual)	2,947.6 (-35.72)	1,304.8 (-410.81)
2009-10 (Actual)	2,601.0 (+371.82)	1,431.6 (-504.88)
2010-11 (Actual)	2,559.8 (+206.86)	1,523.9 (-400.38)
2011-12 (Actual)	3,085.4 (-456.02)	1,709.4 (-534.01)
2012-13 (RE)	3,572.4 (+405.45)	1,921.7 (-381.71)
2013-14 (BE)	4,011.1 (+511.94)	2,085.5 (-455.90)

Source: Financial Highlights & Budget Estimates documents for various years. Note: Figure in parenthesis represents absolute surplus/deficit amount.

BEST provides concessional fare to children below 12 years of age. Table 38 shows that Transport sector has been posing continuous loss to the exchequer. But, travel concession is not the only way to make city transportation child friendly. Enforcement of measures such as speed limits near schools, parks, residential settlements (including slums), checks on driving under the influence of alcohol etc. should be made to ensure safety of children. City also needs

²⁸ State grant for transportation is handled by Mumbai Metropolitan Region Development Authority (MMRDA), which has larger area to cover as compared to MCGM. MCGM, part of Thane (Ulhanagar and Kalyan) and Raigarh districts (Navi Mumbai) comes under MMRDA jurisdiction.

²⁹ Sanjeev Pandey, "A project on Public Transport in Mumbai: BEST", University of Mumbai, 2011, Mumbai.

to control noise and air pollution for better health of children as polluted cities have higher chances of developing brain inflammation and neurodegenerative changes, raise risk of diseases such as Alzheimer's or Parkinson. "Polluted outdoor air caused 6,20,000 premature deaths in India in 2010, the last year for which nationwide data is available. This was a six-fold jump from the 1,00,000 deaths in 2000".³⁰

The Mumbai Metropolitan Region Development Authority (MMRDA) reports that MUTP was successfully implemented by BEST with World Bank funding. However, there was negative impact of MUTP on children. Displacement due to the construction under MUTP meant basic services (education, health etc.), crucial for healthy development of children were denied. Many Project Affected Households (PAH) were resettled in Mumbai's eastern suburbs, following a disturbing trend of shifting slums from high value land to low value land in the east. Because of absence of schools in Rehabilitation and Resettlement (R&R) sites at the time of resettlement, children were forced to attend schools closest to the new settlement or make long commutes to their old school. Similar findings were highlighted in the Maharashtra Human Development report (2012).³¹

A report by Doctors For You (DFY) in 2011 indicated that 56 children at Natwar Parikh Compound were malnourished, out of which many were in Grade II & III (moderate to severe) malnutrition. Lack of access to other basic services such as water and sanitation has also caused harm to the health of many children. Residents of Lallubhai Compound, Indian Oil Nagar & Vasi Naka have reported large number of children falling ill due to the poor quality of water. Around 73 percent of children surveyed in DFY study responded that quality of water, sewage and garbage disposal had deteriorated in colonies. Despite ramifications of the transport project, MMRDA is all set to operationalise MUTP-II without adequately addressing above problems faced in its first phase.³²

b. Concerns of children in the electricity sector under MCGM

Regular supply of electricity is an important component of a child friendly city. The Millennium Development Goals (MDG) link the demand for electricity by slum-dwellers to direct benefits on quality of life associated with access to electricity.³³ Absence of regular and adequate supply of electricity can act as major impediment for children. Not only are homes, schools, and other related formal and informal institutions for children likely to be adversely affected, their study schedule also gets hampered. Absence of lighting at public places (like streets, parks etc.) also poses safety concerns for children, especially girls. It also has the effect of reducing their recreational time and inhibiting mobility.

³⁰ HT Correspondent and IANS, 'Air pollution in cities harms children's brains, raises risk of Alzheimer: Research', Hindustan Times, September 11, 2014. New Delhi. For research details refer to Global Burden of Disease 2013.

³¹ Source: Maharashtra Human Development Report - Toward Inclusive Human Development, 2012, Pune

³² It aims to improve the suburban railway service network and operations. The project expenditure is shared 50:50 between the Government of Maharashtra and the Government of India. Total project cost is Rs. 5,300 crores and World Bank has sanctioned Fund of Rs. 1,910 crores. Of the total project cost, 2.33 per cent has been set aside for R&R activities. More displacement is about to come from this scheme and other related scheme such as 'Multi modal corridor from Virar to Alibaug'.

³³ David Schaengold, 'Clean Distributed Generation for Slum Electrification: The Case of Mumbai', Woodrow Wilson School Task Force on Energy for Sustainable Development, Princeton, 2006. In a report on electricity for the world's poor, the World Bank outlines a series of different kinds of benefits that electricity brings to the impoverished. The Report divides the benefits of electricity for the poor into 1) direct effects on well-being, 2) direct effects on health, 3) direct effects on education, 4) direct effects on economic opportunities for the poor, 5) Trickle-down effects of increased productivity, and 6) fiscal space (coupled with pro-poor policies).

MCGM manages 96.9 percent of electricity supply in Mumbai sub-urban and 98.1 percent in Mumbai City respectively. MCGM started providing electricity connections to slum dwellers through Global Partnership on Output-Based Aid (GPOBA), with DFID funding in collaboration with Reliance Energy Limited. Though there are no disruptions in electricity supply, unaffordable costs have been a major concern for poor people. With an increase in the electricity bill, families have to cut down on other necessary expenditure, which restricts the resources available within a household for investment in children.³⁴

Box 13: Families Living without Electricity

Pollinate Energy, an Australian NGO working in Bangalore; found that 10 % of city's population is 'pavement dwellers' who live mostly without electricity. They located 700 such families. What they found was that these families were living by wood and kerosene light - using unsafe light to work & study by. These families cite their children's education as the prime reason for obtaining electricity.

(Source: Pollinateenergy.org)

c. Urban poor, children and housing under MCGM

Recent pronouncements of the Supreme Court of India have brought into focus plight of urban homeless, by upholding that right to dignified shelter is a necessary component of Right to Life under Article 21 of Constitution. Problem of inadequate housing is severe in Maharashtra, and in particular, in Mumbai. Maharashtra faces shortage of 1.94 million houses³⁵ and 41.3 percent of households are part of slum clusters reflecting a crunch of dwelling units. To address this problem, a number of schemes and programmes have been initiated by both the Government of India as well as Maharashtra. Table 39 highlights some such interventions.

At the onset of JNNURM, each State had to prepare CDP; and infrastructure work was to commence only after detailed scrutiny by State and Centre's monitoring institutions. A detailed analysis of Mumbai's CDP revealed its non-child friendly character, which is discussed in Table 38.

³⁴ GPOBA in its commitment paper has argued that beneficiary contribution of \$103 for new connection is much higher as many families earn less than that in a month.

³⁵ Report of the Technical Group on Urban Housing Shortage (TG-12) (2012-17), NBO, Ministry of Housing and Urban Poverty Alleviation, 2012, New Delhi.

Table 39: Allocations made by Housing Department of Maharashtra for Slums and Urban Poor (in Rs. crore)

Schemes	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
Expenditure on Slum Improvement	0.20	0.11	0.43	0.23
Staff for Management of Slum (Encroachment/Demolition), Mumbai City	1.50	1.59	1.72	2.30
Removal & Rehabilitation of slum dwellers (State Scheme)	0.0	0.0	0.0	0.0
Slum Improvement work @ Ramabai Ambedkar nagar and Kamraj nagar	10.50	0.0	0.0	0.0
Slum Clearance work - civic amenities to SC population living in slum pockets (Special Component Plan)	117.40	48.45	48.00	50.0
JNNURM Schemes*				
BSUP (General Plan)	470.55	539.58	694.31	469.0
BSUP (Special Component Plan)	0.0	0.0	0.0	0.0
IHSDP (General Plan)	19.77	170.51	306.60	456.0
IHSDP (Special Component Plan)	3.99	27.95	24.0	25.0
RAY				
Central Share	9.44	0.47	40.0	40.0
State Share	0.0	0.0	0.0	0.0

* Amount includes Plan & Non-Plan expenditure by the State and the Centre. In BSUP it is in ratio of 25:50 between the State and the Centre, whereas for IHSDP it is 20:80.

Source: State Budget Documents for various years.

While BSUP and IHSDP under JNNURM and RAY were meant to cater to the housing needs of urban poor, no housing projects under BSUP were taken up in MCGM. In Mumbai, housing projects for urban slums were part of various schemes under Slum Rehabilitation Authority (SRA) and MCGM. The CAG report (2012-13) pointed at improper planning and execution of works under Slum Improvement Work taken up in Ramabai Ambedkar nagar and Kamraj nagar:³⁶ 510 seated toilet blocks worth Rs. 2.94 crore were sanctioned for completion by June 2011. However, due to non-availability of sites, 195 toilets blocks were not constructed. The following year, 38 seated toilet blocks were again allocated for the same area.

³⁶ Report No. 4, CAG of India on General and Social Sector for the year ended March 2013, GoMaharashtra, 2014.

The Mumbai Slum Improvement Board (MSIB) was formed in Maharashtra in 1992, under the control of Maharashtra Housing and Area Development Authority (MHADA). The MSIB received Rs. 249.85 crore during 2010-13 under SCP from Social Justice and Special Assistance Department for providing civic amenities to Dalit *vastis* in Mumbai, prioritising on the basis of SCs/Nav Buddha population. The Audit report revealed that “2,111 works were sanctioned by MSIB during 2010-12 in the areas suggested by the local MLAs at a cost of Rs. 166.20, and 1,890 works were completed during 2012-13 without identifying the Dalit *vastis*.”³⁷

Under Budget B (fund code 22 and 23), main activities undertaken pertain to the repair work of staff quarters in various wards. Table 40 shows there has been a continuous decline in funds targeted for slum clearance and improvement. Also, there is no capital expenditure for slum clearance and limited capital expenditure for slum improvement across the years.

Table 40: Expenditure on Slum Clearance and Improvement under Budget B, Fund Codes 22 & 23 by MCGM (in Rs. crore)

Year (BE)	A) Total Budget*	Slum Clearance (Fund Code 22)			Slum Improvement (Fund Code 23)			B) Total for Slum (22+23)	B as % of A
		Revenue	Capital	Total	Revenue	Capital	Total		
2008-09	16,831.50	5.26	0	5.26	200.20	60.36	260.56	265.82	1.57
2009-10	19,773.60	6.46	0	6.46	176.20	132.61	308.81	315.27	1.59
2010-11	20,417.31	4.65	0	4.65	149.79	24.88	174.67	179.32	0.87
2011-12	Date not available								
2012-13	26,581.02	4.76	NA	4.76	151.31	NA	151.31	156.07	0.58
2013-14	27,578.0	4.19	NA	4.19	151.94	NA	151.94	156.13	0.56

Source: MCGM Budget at a Glance for Various Years. * = It is total of Budget A (Fund code 11, 12, 60 & 70), Budget B (Fund Code 21, 22, 23); Budget E (FC 30); Budget G (FC 40) & Tree Authority (FC 50).

Ashray Yojana (AY) is a scheme of MCGM started with the objective of protecting conservancy staff of Solid Waste Management Department from adverse health effects due to their proximity with waste. AY aims at development/re-development of existing staff quarters for providing housing for workers and conservancy staff of Solid Waste Management (SWM) Department through municipal fund.

In 2013, there were around 6,000 conservancy staff quarters at 39 locations, most of which were in poor condition. MCGM decided to provide quality housing to all 28,018 conservancy staff. However, non-availability of land was a major problem. Cost of the project was estimated to be approximately Rs. 1,800 crore for 6 years.³⁸

³⁷ Ibid. Report 4, CAG, Maharashtra.

³⁸ Bhagwan Parab, “New Homes for Sanitation Staff”, *The Asian Age*, Feb. 15, 2013

Table 41: Major Works under Ashray Yojana by MCGM (in Rs. crore)

Name of Works	2011-12 (RE)	2012-13 (RE)	2013-14 (BE)
Major renovation, reconstruction of conservancy & Transport Staff quarters, electricity & allied work	0	0	50
Repair of Building No. 468 at N. M. Joshi Marg in 'E' ward	0.03	0	0.07
Construction of transit accommodation for tenants of C & D building at Powel's land, Kandivali	5	1.79	0.2
Proposed redevelopment of staff quarters CTS No 1110 (pt.) 1111 of village Kandivali (W)	1	3	10
Proposed reconstruction/redevelopment of Municipal Staff quarters C&D building, Kandivali (W)	0.25	0.5	5
Construction of transit accommodation for tenant of C&D buildings at Powel's land, CTS, near Narvane school, Kandivali (W)	0.1	0.5	5
Concreting the complete floor of the Borivli Garage building & staff quarter	0.1	0.1	0.25
Proposed construction of grade 4 storied transit building & reconstruction of Gr. +4 conservancy staff quarter, Chembur	0	0	0.1
Recons of conservancy staff quarters at Wamanwadi near Sindhi society Chembur	0.2	0.21	0.07
Repairs to staff Quarters buildings no 7 to 15 & A to D at P.L Lokhande Marg, Chembur M/West	0	0	0.1
Total	6.68	6.1	70.79

Source: MCGM Budget for various years

It is thus expected to have an average annual expenditure of Rs. 300 crore annually, yet, allocations in the first three years were merely Rs. 83.6 crore. Given huge gap between requirement of funds for scheme and actual allocations in the first three years, it is doubtful that the scheme would be able to meet its stated objectives. Besides MCGM, Slum Rehabilitation Authority (SRA)³⁹ and Maharashtra Housing and Area Development Authority (MHADA) are other key agencies responsible for providing low cost housing to economically weaker sections/low income group and middle income group households in Mumbai. The main objective of SRA was to design slum rehabilitation for rehabilitating slum

⁴⁰ <https://mmrda.maharashtra.gov.in/slum-rehabilitation-authority-sra>

⁴¹ Mumbai International Airport Limited [MIAL] incurred undue benefits after being awarded the work of slum rehabilitation on airport land for the Housing Development and Infrastructure Development [HDIL]. The report also notes that a conservative estimate of Rs 4 lakh per tenement amounting to a total of Rs 1,120 crore was recoverable from MIAL, which was not done.

Website Source: <http://icrindia.wordpress.com>

⁴² Nauzer K. Bharucha, 'Only 9 sq ft open space for each Mumbai: Report', Times of India, 28 August, 2012, Mumbai.

⁴³ Sandeep Ashar, '17 years on, govt realizes SRA has failed Mumbai', Mumbai Mirror, September 4, 2013, Mumbai; available at <http://www.mumbaimirror.com/mumbai/others/17-years-on-govt-realises-SRA-has-failed-Mumbai/articleshow/22271732.cms>

dwellers. Each family in the slum was to be given a self-contained tenement of 269 sq. ft. free of cost. Till date, Mumbai Metropolitan Region Development Authority (MMRDA), under which SRA was constituted has constructed a total of 30,332 tenements for rehabilitation of Project Affected Persons (PAP). Similarly, construction of 4,189 tenements for PAPs is under progress.⁴⁰ The performance and audit reports of the CAG of India reveals major lapses on part of SRA in preliminary and pre-conditional areas, such as no evaluation of technical capability of developers entrusted with projects, no follow-up on timelines for completion of projects, only 9,547 slum dwellers being allotted photo identity cards as against a total of 1.27 lakh slum dwellers etc.

As per the provisions of Development Control Regulations [DCR] for plots of over 10,000 sqm and in cases where land use was changed from industrial to residential, open space of 25 percent of plot area was to be provided for recreation grounds. However, SRA relaxed this norm for builders,⁴¹ creating shortage of open space in Mumbai. A report submitted by Environment Improvement Society of MMR records that a little over 9 sq ft/person open space is available for each Mumbaiker.⁴² MCGM has identified it long back while discussing about its CDP. CDP noted down that system of open space development is rather ad hoc, driven by availability of land and funding, rather than following a conscious approach to create recreation facilities for citizens and tourists.

According to another report “Mumbai SRA allotted 1,524 redevelopment projects, of which only 197 have been completed. This accounts for less than 13 percent completed projects in 17 years”.⁴³ Non-implementation of BSUP, failure of SRA and MCGM in providing decent housing, faulty structure of buildings without local consultation as in the case of Lallubhai Compound aggravated the woes of young children. Housing society without safety measures, lack of open space, ventilation, and water supply in the compound hindered growth of children and put them at risk. For instance, compound did not have direct approach road and shorter routes were risky for children due to prevalence of unmanned railway tracks, the other route being long and expensive.

d. Allocations for development and protection of children

Protection of children is important because of their vulnerability in slums. High insecurity among slum

Box 14: Faulty Slum Survey in Bharatnagar, Mumbai

Bharat Nagar (near Vasi Naka) was a slum waiting to be rehabilitated. The rehabilitation survey revealed that only those who had some documents in her/his name were included in the list. In situations where 2-3 generations have been living in a dwelling unit, their exclusion from beneficiary list under housing schemes was insensitive.

It doesn't look beyond the immediate target check slums from growing further. Further, slum dwellers were coughing out huge amount as bribe to officials for the inclusion of their relatives' name which is their right.

⁴⁴ Jean-Pierre Tranchant, 'Evidence Report No. 17 - Addressing and Mitigating Violence: Unemployment, Service Provision and Violence Reduction Policies in Urban Maharashtra', Institute of Development Studies, UK, 2013.

⁴⁵ Snapshots-2013, National Crime Report Bureau, Ministry of Home Affairs, Government of India, 2013.

⁴⁶ Varsha Ayyar, 'Caste and Gender in a Mumbai Resettlement Site', Economic and Political Weekly, Vol. XLVIII, No. 18, 2013.

population pushes them towards violence. “Poor and unemployed people are thought to lose less by joining violent groups as opportunities for them in legalised and non-violent sector are scarce. Social psychologists and political scientists argue that frustrations and grievances of young males can easily fuel outbursts of violence, without need for the latter to be rationally motivated.”⁴⁴ Jean-Pierre Tranchant (2013) has linked urban vulnerability, resource deprived population including teenagers living in slums, to rising violence in cities. For instance, 50.2 percent of children in conflict with law belonged to poor families.⁴⁵ According to Varsha Ayyar (2013) lack of basic amenities and struggle for survival instigates ethnic tension and violence.⁴⁶

Vulnerability of urban poor is the result of several, overlapping dimensions of asset deprivation: (1) low and volatile income base; (2) environmental vulnerabilities due to hazards of noise, water, lack of sanitation and insecure living space, which are compounded by inadequate public services provision; and (3) experience of social distance, cutting off communities and families from support networks. Apart from this, children in metropolitan cities are highly prone to crimes like kidnappings, trafficking, forced begging, child labour etc. This requires measures by the State to ensure a secure environment for growth of these children. Table 42 shows that State runs two major programmes: Grant-In-Aid to voluntary agency running for children in need of care and protection and Juvenile Justice (JJ) Program. In 2010-11 (AE) Rs. 29.9 crore was allocated to voluntary agencies working for children in need of care and protection, which rose to Rs. 39.95 crore in 2012-13 (RE). In 2013-14 (BE), this scheme received Rs. 36.33 crore. Budget for JJ program have also received increased allocation. In 2013-14 (BE) allocation was Rs. 39.6 crore. Given the record of crime committed by juvenile in Mumbai and Maharashtra, Anil Galgali, a social activist, argued that it's a complete failure on part of government and police department to understand the psyche of children involved.⁴⁷ “The city witnessed an overall 15 percent jump in registered cases of juvenile crime between 2012 and first 10 months of 2013. While 700 cases were registered against children in 2012, 802 were registered between January and October 2013.”⁴⁸ This reflects overall trend of Maharashtra, which holds second place with 5,708 juvenile crimes.⁴⁹ Assessing the role of JJ Act in the State, Maharukh Adenwalla argued that Juvenile Justice Board is overburdened with pending cases and “Unfortunately, functioning of juvenile justice system is dependent on individuals and their abilities.”⁵⁰

Another State Plan scheme aims at providing non-institutional services to destitute children. In 2013-14 (BE) scheme for destitute children received Rs. 45.5 crore, which is a decrease from Rs. 48.73 crore in 2012-13 (RE). Given the number of children living below the poverty line, i.e. 41.9 percent across all regions, State schemes require more fund allocations.⁵¹ *Balak Samrudhi Yojana* (BSY), an extension of *Balika Samrudhi Yojana*, a Centrally Sponsored Scheme (CSS) aims to maintain government certified homes and remand homes under Juvenile Justice Act.

⁴⁷ 'Spurt in juvenile crimes in Mumbai, rape cases double', Times of India, February 11, 2014.

⁴⁸ Ibid.

⁴⁹ Op. cit. Snapshots (NCRB).

⁵⁰ Maharukh Adenwalla, 'Child Protection and Juvenile Justice System for Juvenile in Conflict with law', Childline India Foundation, 2006.

⁵¹ Maharashtra Human Development Report - Toward Inclusive Human Development, 2012, Pune

Table 42: Allocations made by Women & Child Development Department to Children schemes in Maharashtra (in Rs. crore)

Schemes	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
Balak Samrudhi Yojana (State Plan)*	17.10	15.88	16.88	1.72
Establishment of State Commission for Protection of Child Rights*	0.30	0.40	0.58	0.64
Grant-In-Aid to Voluntary Agency running for children in need of care & protection*	29.94	30.73	39.95	36.33
Non-Institutional Service for destitute Children**	17.97	28.12	48.73	45.50
Nutritional Programme for Adolescent Girls**	0.002	0	0	0
CSS				
JJ Program^**	20.69	28.11	32.40	39.60
Nutrition Programme (Urban)*	96.91	67.30	66.80	67.60
ICDS**^	178.57	255.55	281.61	305.75

*Only Non-Plan expenditure. ^ Centre and State share combined. **Only Plan expenditure. Note: ICDS expenditure also includes World Bank assistance. Rural expenditure on ICDS is excluded. No allocation under *Balika Samrudhi Yojana*.

Source: Compiled by CBGA from Maharashtra State Budget Documents, various years

Large proportion of funds under BSY are earmarked for meeting establishment costs. One can notice a stark cut in the dietary expenditure, which constituted 18.6 percent in 2010-11, further declined to 11.6 percent in 2013-14 (Table 43). CAG Report (2012) points out that deficiency in calorific value of food being supplied and non-testing of food being provided to the beneficiaries, has been a problem.

Table 43: Percentage of Dietary charges against total allocation under BSY

Schemes	2010-11 (AE)	2011-12 (AE)	2012-13 (RE)	2013-14 (BE)
Total Allocation Balak Samrudhi Yojana (State Plan)* (in Rs. Crore)	17.10	15.88	16.88	1.72
Diet Charges (in Rs. Crore)	3.18	2.78	3.15	0.2
Diet Charges as percentage of total allocation under BSY (%)	18.59	17.50	18.66	11.62

Source: Compiled by CBGA from Maharashtra State Budget, Various years

CAG report further highlights that there existed deficiencies in planning, conducting and inspections of children's homes; shortage of children's homes, skewed distribution of these homes with 37 percent of them concentrated in three districts, shortfall in inspection of the homes, non-provision of vocational training to the inmates etc.⁵² Thus, not only does unequal allocation between diet charges and non-diet charges need to be bridged, there is also a need to increase overall allocations for this scheme, to address existing gaps in implementation. However, BSY is not the only scheme looking after the nutrition. There are ICDS and Nutrition Programmes (Urban) which are also meant for improving living conditions of young children. At the level of Municipal Corporation, ICDS is being implemented by State agency and MCGM has no role to play. It is found that immunisation, an important component of ICDS, in non-notified slums of Mumbai has not been implemented properly. In her study of Kaula Bandar (KB), a non-notified slum, Joya Banerjee argued that “Numbers suggest that KB's population is unusually disenfranchised compared to those living in notified slums and urban poor, especially with regard to education, tenure, infant mortality rate, and incidence of diarrhea.”⁵³ Paankhi Agarwal & G.S. Sahay (2013) revealed about situation of children belonging to Pardhis, a primitive community, living in a Mumbai slum located on private lands. Pardhis children get involved in begging to assist family income. They lack education, health care and other facilities. Another report on Shivaji nagar, pointed out that “between April 2012 and March 2014, 83 children between the ages of 0-6 years have died.”⁵⁴ This report further revealed that Shivaji nagar has population of 5.5 lakhs. According to ICDS guideline there should be one AWC per 800 population. Hence, Shivaji nagar should have 687.5 AWCs but it has only 135. Lack of AWCs in Mumbai is not the only problem: it is found that children attending AWCs are malnourished. A research carried out by a team of doctors in Rafiq Nagar, a slum near Shivaji nagar in Mumbai, found that “Out of 194 children, 136 (70 percent) children were found to be suffering from malnutrition according to ICDS grade card. According to WHO growth card, 116 (59.80 percent) children were suffering from malnutrition. 111 children (57.20%) were suffering from chronic malnutrition as they were below 5th percentile (less than 2 SD) of their height. There were 84 children (43.30 percent) below 5th percentile (less than 2 SD) of weight for their height, implying they had been suffering from wasting.”⁵⁵

e. Allocations for health of urban poor by MCGM

Health sector continues to be an area of focus for the Municipal Corporation of Greater Mumbai. Mumbai has 1,592 hospitals, of which 51 hospitals with 11,192 beds belong to MCGM. At the primary level, MCGM has 162 dispensaries, 26 maternity homes, one mother & child hospitals, and 23 post-partum centres. There are 1,768 beds for maternity service available in various hospitals. MCGM has Public Health Committees out of their own body consist of 36 members. With such elaborate facilities and health infrastructure, MCGM caters

⁵² Report of the CAG on General and Social Sector for the year ended March 2012, Report No. 3 of 2013, Government of Maharashtra.

⁵³ Joya Banerjee, 'Child Health and Immunization of Status in an unregistered Mumbai Slum', Boston, 2010.

⁵⁴ Anuradha Varanasi, 'Shocker: A Child dies every 8 days in Mumbai's Shivaji Nagar Slums', Mid-Day, 2014. Article posted on 20 June 2014 on Mid-Day site.

⁵⁵ S. Bhavsar, M. Hemant & R. Kulkarni, 'Maternal and Environmental Factors Affecting the Nutritional Status of Children in Mumbai Urban Slum', *International Journal of Scientific and Research Publications*, Vol. 2, issue 11, November 2012.

to the need of population over a crore. Capital expenditure on health has been stepped up from Rs. 510 crore in 2011-12 to Rs. 655 crore in 2012-13. This was proposed to augment number of beds in civic hospitals by 782, in 2012-13 with 615 additional beds in the following two years. With a view to providing quality health care services at primary, secondary and tertiary levels, 'Mumbai Aarogya Abhiyan', a health scheme, was launched by MCGM in April 2010. Initially, it was a campaign for outreach services to slum population. Table 36 shows that MCGM allocated Rs. 1,482.2 crore in 2010-11 (AE) for the health of the urban poor. Allocation under this increased to Rs. 1,667.1 crore in 2011-12 (AE), for 2012-13 (BE) was Rs. 2,079.19 crore, which went upto to Rs. 2,247.4 crore in 2013-14 (BE).

Table 44: Schemes for Urban Poor under State Public Health Department, Maharashtra (in Rs. crore)

Schemes	2010-11 (AE)	2011-12 (AE)	2012-13 (RE)	2013-14 (BE)
<i>Jeevandai Yojana</i> / Medical aid to the persons from Economically weaker section (State Plan Schemes)*	113.5	103.0	166.0	65.0
Rajeev Gandhi Jivandai Aarogya Yojana (RGJAY)**	0	52.9	187.8	340.0
Urban Family Welfare Centre	6.4	8.3	9.5	9.6
Immunisation to infant, pre-school children and expected mothers	62.0	52.2	61.8	64.7
School Health Check-up treatment & Operation of Students in I-IV standards (Non-Plan)	0.39	0.05	0.7	1
Savitribai Phule Kanya Kalyan Yojana (State Plan)	1.7	6.5	1.6	3.0
Grant for Urban Family Welfare Centres run by local bodies & other agencies (100 % CSS)	5.3	10.6	3.8	10
Total	189.3	233.6	431.2	493.3

* It includes normal, special Comp. plan and capital expenditure. Allocation includes Normal and special Comp. plan.

Source: Compiled from the Maharashtra State Budget Documents for various years.

MCGM health initiatives have been assisted by the State health schemes for urban poor and children. Allocations for 'Medical aid to the Persons from Economically Weaker Section' component of *Jeevandai Yojana* have decreased considerably in 2013-14 (BE) from 2012-13 (RE). Allocation for Immunisation of children has been maintained over four years, with a marginal increase to Rs. 64.7 crore in 2013-14 (BE) (Table 44). Under RGJAY, State provided orange/yellow card to BPL/APL families to improve access to quality medical care for

identified speciality services requiring hospitalization for surgeries and therapies or consultations through identified networks of health care providers. There was substantial increase in allocations of the scheme in 2013-14 (BE) from Rs. 187.8 crore in 2012-13 (RE) to Rs. 340 crore in 2013-14 (BE). However, there were issues which bothered MCGM. According to a survey conducted by Hansa Research, it was found that “over 70 percent of Mumbai's population visited private and charitable dispensaries/hospitals for treatment of diseases/ailments. Just 31 percent of the city's population relied completely on government dispensaries/hospitals.”⁵⁶ Lesser reach of health facilities in slums has put young children under risk of malnutrition. For instance, “visit from Auxillary Nurse and Midwife (ANM) or Female Health Worker (HW) from nearby Health Post is a distant dream for children belonging to Pardhis, Masanjogi and Wadars communities living in Jai Ambe Nagar. Even Community Health Volunteer's visit is limited to rare occasions.”⁵⁷ Out of pocket expenditure on health is another problem that urban poor families face. “Households spending more than 6 percent of annual income on hospital/medical costs are maximum in lower socio-economic strata i.e. in SEC E (59 percent) followed by SEC C (56 percent), SEC D (54 percent), SEC B (54 percent) and are least in SEC A (53 percent).”⁵⁸

f. Allocations for education of children by MCGM

Besides health, budgetary allocations by MCGM for education have also increased in recent years (Table 36). In 2013-14 (BE), Rs. 2,472.4 crore has been allocated for primary education, which is an increase over Rs. 2,342.6 crore in 2012-13 (RE). These allocations include administrative, establishment and O&M cost of the department. Education department (Fund code: 30⁵⁹) of MCGM received a grant of Rs. 7.6 crore in 2011-12 (RE) under SSA, which increased to Rs. 16.5 crore in 2012-13 (RE). However, in 2013-14 (BE) this grant has been reduced to Rs. 6.2 crore. Under 'Municipal Primary School (MPS)', the MCGM allocated Rs. 152.4 crore in 2011-12 (RE), which increased to Rs. 267 crore in 2012-13 (RE) and Rs. 273 crore in 2013-14 (BE) (Table 35 and 36). Education Department of MCGM introduced interactive education through virtual classroom project in 80 secondary schools in 2011-12 and further extended it to 400 primary and secondary schools in 2012-13. For primary schools, a budgetary provision of Rs. 6.5 crore was proposed in the budget of 2013-14. MCGM runs 17 special schools for 839 Specially Challenged children. Educational facilities were made available to students suffering from Cancer at Jaganath Shankar Sheth Municipal School with assistance of “Can Kid” society, where 50 students suffering from Cancer were studying. With sound financial position of MCGM, it is expected that coverage and quality of basic services, like education, would be good. However, according to a report, “On an average, if 10 students appeared for SSC exam from MCGM schools, 6 cleared the exam; while 8 cleared from private schools. Number of drop-outs from MCGM schools increased over last four years. Though pass percentage of students from MCGM schools has increased over years, but it is still low in comparison to private schools.”⁶⁰

⁵⁶ PRAJA, 'Report on the State of Health in Mumbai', 2013, Mumbai.

⁵⁷ Dr. Praveen Kumar Katarki, M. Sinha & Dr. V. Raghavan, 'Health Issues of a Branded Community in Urban Slum of Mumbai', TANDA, Centre for Criminology and Justice, School of Social Work, TISS, Mumbai.

⁵⁸ Op. cit., PRAJA.

⁵⁹ There are various departments in Fund 30 such as Municipal Secretary Department, Dept. on Establishment of Municipal Commissioner's Office, Chief Accountant's Dept., Education Department, Mechanical and Electrical Dept. Development Plan Dept. etc.

⁶⁰ White Paper, Status of Municipal Education in Mumbai - (Academic Years 2008-09 to 2011-12), PRAJA.

g. Allocations for water supply and sanitation by MCGM

MCGM faced severe problems with regard to adequate water supply. Mumbai has around 240 lpcd and 5 hours/day average water services.⁶¹ With each passing year, difference in actual water supply and water demanded has been increasing.⁶² The issue of unequal distribution of water is a major challenge for MCGM, since supply in different areas varies widely. In slum areas, the availability is only 90 lpcd, whereas those living in well-off areas receive as much as 300–350 lpcd.⁶³ According to MCGM, slums consume 686 mld of water, as against 1297 mld by non-slums. Total consumption of water in non-slum areas is almost double the consumption in slum settlements. However, scarcity of water has a complex dimension in some cases. It seems that in minority dominated slums, water scarcity is socially constructed. Qudsiya Contractor (2012) in her study of Shivaji nagar argued that “the mainstream city’s perception of Shivaji Nagar as a “Muslim area” and its inherent criminality and anti-nationalism, resonates with what Hansen (2001) describes as “communal common sense”.⁶⁴ Most of the time water provided in these areas is by “Water Mafia”.

Table 45: Water Supply Scenario in Mumbai

Type of Resident	Per Capita Consumption (Litres Per Capita per Day)	Total Consumption (Million Litres per Day)
Slum	100	686
Non-Slum	200	1,297
Total		1,983

Source: R. B. Bam Bale, Water Reforms – Mumbai Maharashtra, MCGM, 2012.

Given the precarious scenario with respect to water demand and supply in Mumbai, Department of Water Supply and Sanitation has been making number of interventions for supplying water and providing low cost sanitation to urban poor. Table 46 below shows the budgetary outlays on these schemes by the Department in the State budget. Considering high demand for water, the allocations seem quite inadequate, given it is inclusive of expenditure by both Centre and the State.

⁶¹ Water in India: Situation and Prospects, UNICEF, 2013, p. 28.

⁶² Public Private Partnership in Drinking Water Supply of Greater Mumbai, Working Paper, Urban Studies, February 2008

⁶³ Maharashtra Human Development Report, 2012

⁶⁴ Qudsiya Contractor, 'Quest for Water – Muslims at Mumbai's Periphery', *Economic and Political Weekly*, Vol. XLVII, No. 29, 2012.

Table 46: Allocations made by Water Supply and Sanitation Department to Urban Poor, Maharashtra (in Rs. crore)

Schemes	2010-11 (AE)	2011-12 (AE)	2012-13 (RE)	2013-14 (BE)
Grant-in-Aid to MC & Municipalities Nagri dalit vasti water supply schemes in Urban areas (Spl. Com.Pl)	9.30	3.89	8.0	10.0
Grant-in-Aid to MC & Municipalities for Private water connection to SC's & Nav Bodhas in Urban areas (State Plan)	45.0	42.50	40.0	50.0
CSS				
Accelerated Urban Water Supply Programme*	0	5.0	5.84	0
Grant-in-Aid to Maharashtra Jeevan pradhikaran for Low Cost Sanitation Programme*	6.87	12.10	21.26	1.41
Total	61.17	63.49	75.10	61.41

* Expenditure includes combined share of Centre and State. Note: Water Supply and Sanitation Department of Maharashtra is also known as Maharashtra Jeevan Pradhikaran. Expenditure on Low Cost Sanitation (LCS) also includes Service level Benchmarking Program (SLBP) allocation. SLBP is run by Ministry of Urban Development at the Union level.

Source: Maharashtra Budget Document for Various Years.

Data presented in Table 35 and 36 shows that MCGM introduced water subsidy for urban poor, for which, Rs. 1,050.7 crore and Rs. 1,081.0 crore has been earmarked in 2012-13 (RE) and 2013-14 (BE) respectively. But, discrimination in water supply in slum area proved that all is not well with water subsidies. UIG under JNNURM was another operational scheme for developing urban infrastructure and provision of basic amenities like water and solid waste management.

Table 47 shows that only about half of projects approved, were completed in Greater Mumbai. If utilisation of cost against approved budget is looked at, both MCGM and Government of Maharashtra (GoM) have spent more than approved cost in completing just half of sanctioned projects. This shows poor planning and budgeting of the programme. Delay in completion of projects by MCGM is increasing the already existing gap in demand and supply of water. Delay and discrimination toward slum dwellers for water supply hampers the lives of urban poor. Repercussions are huge for young children since they are assigned the task of standing in long queues in front of public taps. Fights over water are common in slums, which affects young children psychologically.

Table 47: Projects sanctioned and completed under UI&G of JNNURM in Greater Mumbai (in Rs. crore)

Sl. No.	State/City	Project Sanctioned	Project Completed	%age of Work Done	Approved Cost	Utilised Cost
1	Maharashtra	80	42	52.5	11437.11	12464.9
2	Greater Mumbai	26	12	46.15	5319.27	6392.15

Note: Data as on 31 March 2014. Source: JNNURM.org

Supply of water is also linked with the status of sanitation. A large number of Mumbai's slum population is dependent on toilet facilities provided by MCGM or Maharashtra Housing and Area Development Authority (MHADA). A survey of slums revealed that about 63 percent of slum population do not have adequate access to safe sanitation facilities. While 84 percent depend on public toilets, only 2 percent depend on private toilets, almost 4 percent defecate in the open and 10 percent use pay-to-use toilets. Poor sanitation conditions put extra burden on young children in slums and increase their vulnerability to various diseases. It has also been pointed that this increases the vulnerability of young girls to violence (Maharashtra Human Development Report (2012)). Thus, slum population in the city is heavily dependent on public toilets to meet their sanitation needs. Basic norm of 1 toilet seat per 50 persons is not fulfilled in most of the slums.⁶⁵ In fact MCGM acknowledged deficit of around 47,000 toilets in Mumbai.⁶⁶ The Annual Report of MCGM (2012-13) acknowledged that 2 million slum residents resort to open defecation. MCGM proposes to make Mumbai "Open Defecation Free" in next five years through Slum Sanitation Programme.⁶⁷ It was noted that the MCGM planned to allocate Rs. 140 crore for 8,400 toilet seats during 2012 to 2014.

h. Other schemes for development of slums under MCGM

Schemes such as *Dattak Vasti Yojana*, (earlier, Slum Adoption Programme (SAP), Mumbai *Vasti Prabhodhan Abhiyan* and Clean Dharavi and Healthy Dharavi by MCMG aim at development of slums and need to be looked at in detail. Allocations for these schemes have been done under Budget Fund Code -11. SAP envisaged slum residents as active participants in managing solid waste in their own localities. The vision of SAP, captured in the term "adoption", seems to promise a participatory, inclusive, community based sustainable system. SAP was implemented by MCGM in regularized slums that were in existence before 1995. The implementation structure was relatively decentralized. Eligible Community Based Organizations (CBOs) were to be identified and helped to draft sanitation plans and corresponding expenditure and approved thereafter. It was hoped that slum dwellers could be "sensitized to become responsible citizens and take a lead in handling day-to-day garbage, in coordination with local CBO and MCGM. Once selected, CBOs received a fixed amount of

⁶⁵ M.S. Deshmukh, 'Conditions of Slum Population of Major Sub-Urban Wards of Mumbai in Maharashtra', Voice of Research, Vol. 2, Issue, 2, September 2013, Mumbai, p. 5.

⁶⁶ www.dnaindia.com. Accessed on 21 August, 2014, Mumbai needs 47,000 more public toilet seats. Looking at the density of the population, Clean India representative found the need of at least 64,000 toilet seats

⁶⁷ Annual Report 2013-14, MCGM, Mumbai. SSP introduced by MCGM plans to cover the entire slum population including those located on government and private lands such as MbPT, Airport, Salt Commissioner, Railways, and Forest etc.

Rs. 1,500 per 1,000 persons. This assistance was to gradually diminish over time and terminate by third year, relating to a vision of making the system a sustainable “self-help” arrangement over time. CBOs were to raise a minimal monthly contribution from slum families and shop keepers. Going beyond community involvement and empowerment, and assessing actual program outcomes in terms of cleaner slums, SAP's performance was not satisfactory. It failed to achieve the objective of cleaner slums and increased mobilisation for awareness and self-help.⁶⁸ MCGM, thus decided to replace SAP with Mumbai *Vasti Prabhodhan Abhiyan*.

Swachha Mumbai Prabodhan Abhiyaan was a new garbage collection scheme for city's slums. Under this scheme, every unit provided services to 750 persons, instead of 1,000 in the earlier version, with greater emphasis on awareness generation through community participation in segregation of waste, reduction in use of plastics and eradication of mosquito breeding spots in slums etc. Area was divided into different clusters and further divided into units for operational management. Range of funding varied from Rs. 3 lakh to Rs. 13 lakh as per requirement. An apex body constituted by BMC was to manage operations of the project. The program envisaged convergence of different departments under Municipal Corporation for better implementation.

Data presented in Table 35 shows that Clean Dharavi and Healthy Dharavi scheme had received an allocation of Rs. 0.50 crore in 2009-10 (BE) which rose to 0.73 crore in 2013-14 (BE). This amounts to around Rs. 24.33 per person per annum. Dharavi is spread over 525 acres of land and houses nearly three lakh people. It has a high population density and lacks the most basic amenities. Dharavi Redevelopment Project (DRP), as originally conceived a few years ago, envisaged division of Dharavi into 5 sectors. MHADA took the responsibility of developing one sector. Redevelopment of the other four sectors was being implemented by DRP authority. However, some problems beset the project: plans were developed without consulting the residents, new projects did not take into consideration that livelihood opportunities needed to be closer to place of residence and, owners of mezzanine floor were not eligible for housing. There was widespread demand to reconsider the plan.⁶⁹ The government announced to resettle “358 families of Dharavi's Shatabdi nagar but this constitute merely 0.6 percent of DRP, which costed over Rs. 16,000 crore.”⁷⁰

III. Where do hurdles lie?

Though MCGM has a sound financial position, timely devolution of funds to the Ward Committees (WC) along with quantum and quality of expenditure has been a matter of concern. Also, limited financial powers of WC Councillors, strong influence of political parties' agenda and the delays associated with release of funds are responsible for ineffective delivery of municipal services. “Corporators mention that projects at ward level are lagging because of lack of interest from BMC officers. Contractors expressed fear that funds allocated

⁶⁸ Christopher J. Rees & Farhad Hossain (ed.), “Public Sector Reform in Developing and Transitional Countries: Decentralization and Local Governance”, Routledge, New York, 2013.

⁶⁹ RE-Dharavi, 2010, Mumbai SPARC and KRVA

⁷⁰ Manasi Phadke, 'Cong-NCP Dharavi showcase touches less than 1% of target', The Indian Express, September 12, 2014, New Delhi.

for these works in civic annual budget would lapse, with only 25 percent funds been used.”⁷¹ “Since 2007, on an average, each year, the BMC didn't use funds up to Rs 4,000 crore. Worst was in 2011-12 when it failed to use almost Rs 6,137 crore of its budget allocation.”⁷² It was also found that corporators were more interested in raising emotional symbolism like renaming of roads, rather than implementing available funds for better neighbourhoods.

BMC's slow performance in providing basic civic amenities to the city could also be attributed to staff crunch. There were over 28,000 vacant posts in the civic body, in other words, 20 percent of total posts were vacant due to which cleaning, water supply, health services and other basic services got affected. According to civic officials, of the total strength of 1.4 lakh employees in BMC, 28,661 posts were vacant - 18,843 posts were awaiting new recruitments, while 9,818 posts were vacant due to lack of eligible employees who could be promoted. Alarming, most vacancies were from C and D class categories, the employees of which were mainly responsible for dealing with civic issues. In class C, which had posts like nurses, clerks and assistants, 8,589 posts were vacant and 1,372 were empty due to lack of suitable candidates. Similarly, for class D, which consisted of workers and labourers from departments like conservancy, roads and health, there were 8,349 vacancies. Another 3,750 posts were not filled up due to lack of eligible employees who could be given promotions.

IV. Summary of observations

It is widely accepted that there is an urgent need to manage growth of urban settlements with specific provisions for urban poor, especially those residing in slums. One of the most vulnerable sections of the population, which often gets excluded is the section of young children.

The chapter reveals that only few government departments have schemes with provisions for children. BMC's severe staff crunch adds to the problem. Most schemes have been designed largely by taking family as a basic unit. In Mumbai, even though there is a marked decrease in allocations for urban poverty alleviation including slum adoption programme and up-gradation of slums, allocations for primary education and health have increased over last 4 years of the study period. On the whole, situation with respect to access to basic services by slum children is poor. These conditions become worse for children belonging to socially marginalised sections.

Allocations for issues such as safety of children on roads, education near their place of residence and proper provision of basic services were found lacking. Displacement under MUTP affected children adversely, yet second phase of the project did not address these adverse effects. There is a need to include specific concerns of all stakeholders, including children, in the planning process, so that plans made are responsive to the needs of all concerned. The project of developing more urban centres would only be meaningful if adequate attention is paid to basic services for urban poor, specifically children residing in slums.

⁷¹ Age Correspondent, 'BMC slammed for Unused Budget', The Asian Age, 31 Jan. 2013, Mumbai.

⁷² Shawan Sen, 'Rs. 27,000 cr allocated to Mumbai Civic Body remains unused', IBNLive, 6 February 2013, New Delhi.

Chapter 7

Review of Public Investments in Madhya Pradesh



Review of Public Investments in Madhya Pradesh

I. Introduction

The chapter focuses on relevant policies and budgetary interventions targeted at urban poor and slum children at two levels of governance- State and Municipal. This chapter analyses budgets of Bhopal Municipal Corporation (BMC) along with analysis of budgetary allocations/expenditure of few departments having schemes pertaining to children and urban poor in Madhya Pradesh.

As per Census 2011, Madhya Pradesh has a total population of 7.26 crore, of which urban population is 27.5 percent. Total number of towns in the State increased from 394 in 2001 to 476 in 2011. Upward trend in urbanisation is reflected in the fact that State now has 33 towns with more than 1,00,000 population. Four major cities, Indore, Bhopal, Jabalpur and Gwalior, have populations of over one million.⁷³ Maximum growth in numbers is recorded for census towns,⁷⁴ which have increased from 55 in 2001 to 112 in 2011. Number of municipal corporations, cantonment boards and notified areas has remained unchanged from 2001 to 2011.

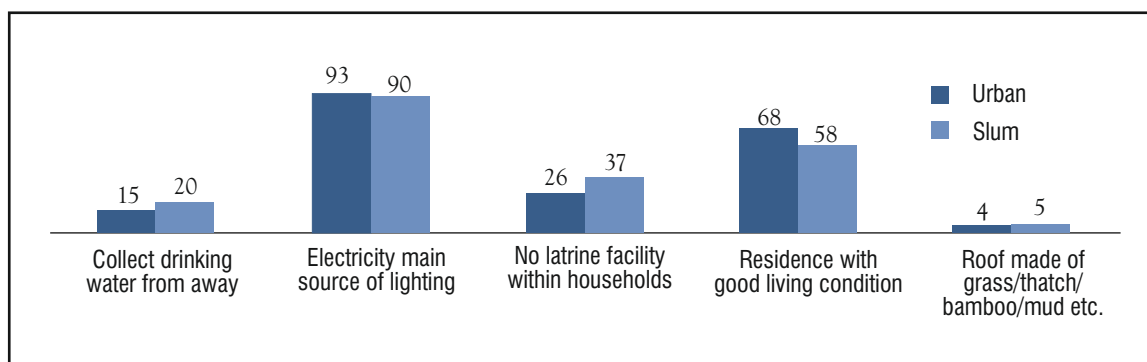
Increasing urbanisation raises concerns regarding living conditions in towns and cities. The slum population of Madhya Pradesh accounts for 8.7 percent of total slum population of India.⁷⁵ Census 2011 indicates that 28.3 percent of the urban population of Madhya Pradesh lives in slums. According to Census 2011, total population of Bhopal city is 17.95 lakh out of which 4.8 lakh (26.7 percent) live in slums. There are 66,547 children in the age group of 0-6 years constituting 13.9 percent of total slum population of the city. Chart 1 shows gap in access to basic amenities between urban non-slum and slum households (HH) of Madhya Pradesh. Access of 20 percent of slum households to water is 'away' as compared to 15 percent non-slum households. Ninety percent of slum households have electricity as the main source of lighting as compared to 93 percent in non-slum households. Major gap persists with regard to sanitation facilities: 37 percent of slum households have no latrine facility within household as against 26 percent non-slum households.

⁷³ Provisional Population Total, Chapter 3, Trends in Urbanisation, Madhya Pradesh

⁷⁴ Places satisfy three criteria i.e. a) population more than 5000, b) at least 75% male working member engaged in non-agricultural pursuits and c) a density of population at least 400 per sq km are termed as 'census towns'

⁷⁵ Primary Census Abstract Slum, Office of the Registrar General & Census Commissioner India, New Delhi, 2013.

Figure 22: A comparison of household characteristics of non-slum households and slum households in Madhya Pradesh-2011 (in %)



Note: 'Away' implies households travel more than 500 meters for collecting water
 'Good'- Such census houses which do not require any repair and are in fairly good condition.
 Source: Housing and Houselisting data, Census 2011.

A study by ACE pointed out that 33 percent of city's HHs have no in-house water connectivity whereas 18.6 percent HHs reported no private toilets.⁷⁶ The city of Bhopal is divided in fourteen zones: Zone-1 has maximum households (15,168), while Zone-4 has the least concentration of households (3,481 households). There are 366 slums across the city. About 66 percent of slum households of Bhopal practices Hinduism, 24 percent Islam and the rest consist of marginal groups who are followers of Sikhism, Christianity and other religions. The distribution of households by caste in the slums shows wide variations. Zone 4 has the highest proportion (73.2 percent) of households in general category, while zone-6 has the highest proportion (38.9 percent) of households in OBC category. Overall, the proportion of households in slums over 14 zones consists of general category (34.5 percent), SC (23.89 percent) ST (0.41 percent) and OBC (3.86 percent). Out of 366 there are 112 tenable, 26 semi-tenable, 163 partly tenable, 28 partly semi-tenable and 37 un-tenable slums.

II. Investments in housing infrastructure for urban poor and children in Madhya Pradesh

Table 48: Allocations for Children and Urban poor by Department of Urban Administration and Development, Madhya Pradesh (in Rs. crore)

Department	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
A. Urban Administration and Development (Normal)	74.2	68.8	241.6*	180.1
B. Financial Help to Urban Bodies (Normal)	256.3	344.4	361.1	442.3
Financial Help to Urban Bodies (TSP)	13.0	39.9**	18.7	36.3
Financial Help to Urban Bodies (SCSP)	32.8	58.3	116.1	201.5
Total B	302.1	442.6	495.9	680.1
Total A+B	376.3	511.3	737.4	860.2

* Increase due to sanitation & drinking water programme. ** Increase due to MDM reporting in Urban Dept.
 Note: Other increases are due to JNNURM and other infrastructural works.
 Source: State Budgets, Madhya Pradesh, various years.

⁷⁶ Sudeshna Chatterjee, 'Analysing the impact of JNNURM Funded Slum Redevelopment Projects on Children across India', Action for Children's Environment, 2013, New Delhi.

During 2010-14, the share for urban poor has gone up in department expenditure, the expenditure for urban poor as a proportion of the total expenditure under demand number 22 was 25.4 percent in 2010-11, which increased to 34.3 percent in 2011-12. Further, with substantial allocations under Chief Minister's Sanitation and Drinking water programme in Budget 2012-13 (RE) and 2013-14 (BE), the share of allocations for urban poor increased to 52.2 percent and 51.6 percent respectively.

Table 49: Scheme-wise allocations by department of urban administration and development, Madhya Pradesh (in Rs. crore)

Schemes	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
CM Housing Scheme for Urban Poor	-	-	-	0
State Urban Sanitation Mission	4.7	5.1	0	0
CM Sanitation Programme	0	0	18.1	33.2
CM Drinking Water Programme	0	0	105.8	69.3
SJSRY (Excluding Central fund)	0.4	0.4	0.7	0.8
Integrated Low Cost Sanitation	5.3	5.3	5.3	0
MP, Urban Infrastructure and Investment Program (Project <i>Utthan</i>)	0	0	43.06	45.38
Urban Service for the Poor	60.1	53.8	58.1	0*
Capital Expenditure				
State Urban Sanitation Mission	2	4	0	0
CM Sanitation Programme	2	0	10.5	31.5
Total Expenditure under Schemes	74.5	68.8	241.5	180.1

Note: Plan and Non-Plan expenditure are included
Amount allocated under TSP & SCSP are not included
Amount shown in State Budget under CSS is matching grant by State
* Was a foreign funded project, the project has completed its term
Source: State Budgets, Madhya Pradesh, various years.

Project *Utthan* is an important initiative by the Madhya Pradesh government in collaboration with the DFID. The first phase of the project was launched in 2006 for a period of six years. *Utthan* has four integrated outputs: enhancements of State capacity for urban poverty reduction; ULB financial management and information system improvement; participatory and citizen centric government for better service delivery; and improved access of basic services to urban slums and sustainable water. The project was expected to benefit 36,992 households and a population of 186,639 through participatory approaches. *Basti Vikas Samiti* (BVS) has

been institutionalized under *Utthan*, the scheme has had a positive impact on the living conditions slums dwellers. The scheme's awareness campaign has enabled 44,587 entitlements in 4 cities (Bhopal, Indore, Jabalpur and Gwalior). A total of 5,619 toilets were constructed and 13,831 individual tap connections against a requirement of 19,991 taken place.⁷⁷ *Utthan* got into its second phase in February 2013.

Table 50: Financial Help to ULBs by Department of Urban Administration and Development, Madhya Pradesh, (Normal) (in Rs. crore)

Schemes	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
SJSRY (Excluding Central Fund)	15.6	42.2	21.1	22.8
JNNURM	169.6	271.3	245.6	229.1
Integrated Urban Slum Development Schemes (State PL, Normal) [Help to local bodies, Corporations, Urban Development Authority, Municipal Improvement Board etc.]	0	0	6.6	20.2
Integrated Urban Slum Development Schemes (State Plan, Normal) [Assistance to Municipalities]	3.8	6	9.8	29.8
Integrated Urban Slum Development Schemes (State Plan, Normal) [Assistance to Nagar Panchayats]	2.2	11.6	13.6	37.1
RAY	5.7	0.1	38.4	92.9
Haanth Thela & cycle rickshaw chalak kalyan yojana	5.0	6.0	5.0	4.0
Shahri Gharelu kamkaji mahilakalyan yojna	1.3	7.0	4.1	1.3
Shahri feriwalon ki kalian yojna (Beneficiary Oriented)	0	0	2.6	3.0
Shahri Feriwalon Ki Kalyan Yojana (Infrastructure Development)	0	0	14.0	2.0
Mid-Day Meal (Grant to Urban Bodies, rural part excluded) ⁷⁸	52.9	0	0	0
Total	256.3	344.4	361.1	442.3

Note: Plan and Non-Plan expenditure are included.
Amount allocated under TSP & SCSP are not included.
Amount shown in State Budget under CSS is matching grant by State.
Source: State Budgets, Madhya Pradesh, various years.

⁷⁷ Participatory Slum Improvement (Final Review Report), Madhya Pradesh Urban Services for the Poor (MPUSP), 2012.

⁷⁸ Allocation fund has been transferred to zila panchayat in each district. It was also learnt that the State has demanded additional Rs. 400 crore from Union Government to implement supply of 100 ml milk under MDM.

Total financial assistance of 10.6 percent of the ULBs was meant for welfare of urban poor in 2010-11. This share declined to 8.7 percent in 2013-14. It is clear from the Table 51 that ULBs received larger share of grants under JNNURM, followed by RAY and SJSRY.⁷⁹ An analysis of Bhopal CDP revealed that although it has recognized some of the children related problems but suggested no provision for the same.

Allocations for smaller schemes targeting the urban poor such as for domestic workers, street vendors, rickshaw pullers are minimal. For instance, a Survey carried out by the State Government recognises that there are 79,000 street vendors in Madhya Pradesh.⁸⁰ However, merely Rs. 2.6 crore was allocated in 2012-13 (RE) for schemes meant for their welfare. Annually, this works out to be approximately Rs. 329 per street vendor. The schemes for Domestic Women Workers have received Rs. 7 crore in 2011-12 (AE), this amount has gone down to Rs. 1.3 crore in 2013-14 (BE).

III. Schemes for urban poor and children under BMC

BMC has accorded priority to urban infrastructure development which can be assessed from enhanced allocations under Public works in 2013-14 (BE). Under CM Urban Infrastructure Scheme, increase of Rs. 129 crore can be seen between 2012-13 (RE) and 2013-14 (BE). Similarly, enhanced allocations under 'Other Functions' primarily account for infrastructure.

Table 51: Expenditure on Urban Poor in various schemes, BMC (In Rs. crore)

Function Group / Function Name	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
10/Planning	0.04	0.24	0.4	0.4
20/Public Works	10.7	4.3	20.3	149.3
30/Health	NA	NA	NA	NA
40/Sanitation & Solid Waste Management	0.3	3.02	1.6	1.3
50/Water Supply	1.6	3.6	8.5	43.6
55/Civic Amenity	0.1	0.09	1.2	3.6
70/Urban Poverty Alleviation & Social Welfare	2.1	3.5	5.6	4.02
80/Other Functions*	109.8	136.1	100.0	406.8
Total Allocation for Urban Poor	124.6	150.8	137.5	608.8

* Includes RAY, JNNURM, ADB Project and MP-Urban Service for the Poor-DFID funded project Utthan. Amount includes central and State share. NA = No Allocation.

⁷⁹ As shared by, Assistant Finance Director, MDM, Madhya Pradesh.

⁸⁰ April 2013, Hindustan Times, Bhopal Edition

a. Allocations for water and sanitation supply to urban poor

Number of interventions are carried out by BMC for providing water and sanitation facilities for urban poor. Table 52 shows that major share of budget under water supply is allocated for providing water to areas affected by the Bhopal gas tragedy. This amount increased from Rs. 6.82 crore in 2012-13 (RE) to Rs. 43.56 crore in 2013-14 (BE).

Table 52: Expenditure on Water Provisioning to Urban Poor, Bhopal Municipal Corporation (in Rs. crore)

Services	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
Water Supply at Primary Schools in urban areas	0	0	0	0.1
Borewell	0.98	1.38	1.25	0.75
Open Wells	0.00	0	0.05	0.05
Over Head Tanks (OHT)	0.26	0.03	0.03	0.08
Public High dent	0.09	0.03	0.25	0.25
Water supply in gas affected areas	0.25	2.08	6.82	43.56
Water supply arrangement at government schools	0	0.02	0	0
Cleaning, deepening of 70 wells	0	0	0.12	0
Transportation of Drinking Water	0	0	0	0.2
Total	1.58	3.54	8.52	44.99

Note: All the expenditures are capital

Source: Compiled by Author, Bhopal Municipal Budget Documents for various years

It is necessary to supply clean water in areas that were affected by Bhopal gas tragedy. As shown in Table 52, 97 percent of the total budget in the city is allocated for water supply in affected areas and only 3 percent of the fund is for ensuring water supply to rest of the city. A field visit to ward number 3 of *Durganagar*, a slum selected for rehabilitation in Jatkhedi, revealed that water was accessible only through public high dents and wells. Irregular supply of water forced residents to store water in plastic drums which turned it unfit for drinking. Another visit to *Kanasaiya*, a rehabilitated slum area revealed that the main distribution systems for supplying water to households were bore wells. About 28-30 percent of the city households are connected to properly maintained sewer systems. Rest of the HHs, majority being slum HHs discharge waste into open drains. Despite huge threats associated with sewage problems, BMC allocated just 1.38 crore in 2013-14 (BE) for toilet construction in the city.⁸¹

⁸¹ Census 2011 reports that 52, 043 people defecate in open in urban Bhopal. The figure could be underestimation as per author prior research in Sehore block of Bhopal district.

Table 53: Expenditure on Toilets for Urban Poor, Bhopal Municipal Corporation (in Rs. crore)

Services	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
Temporary toilets at jeevanjyoti colony.	0	0	0	0.09
New Pub utility centres	0.12	0.22	0.23	0.06
Dustbin/Toilet in Gas Affected Areas	0	2.79	1.36	1.08
Sulabh Toilet	0.15	0	0	0.15
Total	0.27	3.01	1.59	1.38

Source: Compiled by Author, Bhopal Municipal Budget Documents for various years

b. Allocations towards programmes for poverty alleviation

The Municipal Corporation of Bhopal is engaged in provisioning and implementing programmes for poverty alleviation and delivering required services to urban poor. Table 54 enlists some of these schemes along with the magnitude of funds allocated to these programmes.

Bulk of budget for urban poverty alleviation programmes by BMC is reported under the Mid-Day-Meal Scheme. House loans given under *Valmiki Ambedkar Awas Yojana* (VAMBAY), a scheme meant exclusively for adequate shelter for slum dwellers, received low priority (almost no allocations) due to other housing related schemes, specifically JNNURM and RAY. The scheme merged with IHSDP. The *Rain basera* scheme combined with *Ram-Roti Yojana*. As part of *Rain basera* scheme, night stay facilities were being provided to people who come to Bhopal in search of employment. Separate lodging arrangements were provided to men and women and service was free for urban poor. *Ram Roti Yojana* provided food at concessional rate of Rs. 5 in *Rain baseras* (night shelters). Low allocations for the schemes started effecting their functioning negatively. Joint inspection by the Commissioner, Supreme Court, along with State representative on shelters for homeless in Bhopal, revealed that lack of basic amenities marred the shelters: all were night shelters only without any 24*7 shelter facilities. Some shelters were unfit for vulnerable homeless. There was lack of security in some shelters.⁸²

⁸² N.C.Saxena & Harsh Mander "Report to Supreme Court on Homeless", 2012.

Table 54: Scheme-wise Allocation for Urban Poverty Alleviation, BMC (In Rs. crore)

Schemes	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
Ram Roti Yojna (Rain Basera) / O &M of Rain Basera (UP)	0.08	0.04	0.3	0.3
Loan under Ashraya Fund (VAMBAY) / Cap work under Valmiki Ambedkar Awas Yojana (UP)	0	0	0	0.1
Welfare Scheme for Minorities (UP, Central Grant)	0.05	0	0	0
Development in SC Dominated Area (UP)	0.004	0	0.01	0.1
National Slum Development Programme	0	0	0.01	0.1
Slum Rehabilitation	0	0	0.05	0.05
Construction of Rain Basera (UP)	0.5	0.44	1.32	0.44
Rainbasera at Sant Hirdaram Nagar (UP)	0	0	0	0.35
Plastic Waste Management and Rag-pickers Development (UP)	0	0	0.05	0.45
Environment improvement in Slum areas (dirty/SC/STs/JJ slums), (UP)	0.19	0.04	0.2	0.2
Renovation in Harijan Colonies (UP)	0.03	0	0.1	0.1
CM Kanya Dan Yojana (UP)	0.11	1.02	2.03	0.04
Panchayat of Hawkers (UP)	0	0.15	0.04	0
Welfare Scheme 2012 (for UP)	0	0	0	0.1
Kesh Shilpi Panchayat (for UP)	0	0	0	0.24
Development of wards under Dalit Agenda (UP)	0	0	0.05	0.05
Construction of rooms in schools of minority areas (UP)	0	0	0.03	0.03
Mid-Day Meal Programme (Urban Poor)	1.14	1.76	1.37	1.35
Total	2.1	3.5	5.6	4.0

Note: Due to conversion in crore some amount is beyond two decimal. Hence, not included and final figure varies. UP = Urban Poor.

Source: Bhopal Municipal Budget Documents for various years.

c. Allocations for housing & infrastructure for urban poor

As can be seen from Table 55, major budgetary allocations were made under function group 80, which includes JNNURM, ADB project and MP Urban Services for Poor. As mentioned earlier, residents of Bhopal City were beneficiaries of *Utthan* scheme. As reported, “6,783 people started to avail the benefit of various schemes in Bhopal after rights awareness campaign: 2,646 toilets were constructed and 5,444 tap connections were given in Bhopal city. Further, 5,334 persons benefited from health hygiene activities in MPUSP slums.”⁸³

Table 55: Allocation and Expenditure for urban poor under head 80 (Other Functions) by BMC (in Rs. crore)

Other Function	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
JNNURM	98.96	110.2	72.1	188.2
ADB Project	0.05	7.8	18.3	22.7
Project Utthan (DFID) - MPUSP	10.8	17.5	9.4	0.8
RAY	0	0.6	0.24	195.04

Source: Bhopal Municipal Budget Documents for various years

Table 56: Scheme-wise Allocation under Housing, BMC (in Rs. crore)

Schemes	2010-11 (Actual)	2011-12 (Actual)	2012-13 (RE)	2013-14 (BE)
Houses with Basic Infrastructure facilities in Shayam Nagar *	3.5	5.4	1.2	3.5
Houses with Basic Infrastructure facilities in Kalpana Nagar*	0	0.5	0.1	0.6
Houses with Basic Infrastructure facilities in Shabri Nagar *	0.3	1.5	0.5	2
Houses with Basic Infrastructure facilities in Roshanpura*	0	0	0	8.2
Rajiv AwasYojana **	0	0.6	0.24	195.04
Total	3.8	8.0	2.04	209.3

Notes: * Include both: Revenue Expenditure and Capital Expenditure (including Centre & State share)

** Include Capital Expenditure (Including Centre, State and Nigam share)

Source: Bhopal Municipal Budget Documents for various years

⁸³ Op. cit. Participatory Slum Improvement.

Box 15: Issues & Challenges in Rehabilitated Slum, Kanhasaiya

Kanhasaiya 20 Kms away from the city constitutes rehabilitated population from Aam Nagar, Sakti Nagar and Saket Nagar. Residents were allotted 15*30 plots to construct houses, far away from the city. This has caused loss of jobs. Self-construction of houses with low budgets forced people to cut on toilets, pushing locales for open defecation (OD). Poor maintenance & unhygienic condition due to lack of water also led to OD. Those who could not afford to build houses at allocated plot sold it off and moved to another slum nearby. Primary and middle schools lacked basic facilities. Due to this, high drop-out especially among girls was reported.

Expenditure for rehabilitation of slums by BMC was recorded as Rs. 46.4 crore in 2010-11 (Actual), which went up to Rs. 70.3 crore in 2011-12 and Rs. 113.9 crore in 2013-14 (BE). However, 2012-13 (RE) Budget reflected a dip with only Rs. 34.4 crore for rehabilitation projects.⁸⁴ RAY scheme also took off from 2013-14. However, JNNURM's sub-mission, BSUP received grants from Union and State. Calculation by BMC showed that Bhopal needed 0.98 lakhs houses.⁸⁵ Since major source of funding for construction of houses was BSUP, stronger implementation of the programme could ensure better housing facilities for urban poor. As Table 57 shows, GoI data on BSUP (JNNURM) revealed that only 46.21 percent projects were completed against total number of approved projects, 33.87 percent of projects were in progress and 19.90 percent projects were yet to take off. Only 9.30 percent dwelling units were occupied against total approved Dwelling Units (DU). Giving implementation details of Kalpna Nagar, the ACE report shared that "Total number of dwelling units proposed in the DPR was 212, while actual units constructed was 164. Open space demarcated as playground for residents of the project was across the approach road, hence children of Kalpana Nagar did not have access to the playground."⁸⁶

Table 57: Progress Report of Projects under BSUP in Bhopal * (in Rs. Crore)

	Total No. of Projects	Project Cost Approved	Central Share Committed	Central Share Released	DUs approved	No. of DUs in Progress	DUs Completed	Non-Starter DUs	DUs Occupied
MP	21	663.86	320.83	263.5	36,902	11,158	17,077	8,667	2,770
Bhopal	13	396.3	188.84	155.34	20,009	6,778	9,248	3,983	1,862

*as on 1 July, 2014

Note: BSUP started in 2005-06 and with extension of one year, the completion date is 31 March 2015.

Source: BSUP – State wise Report for Latest Progress at Project and City Level, JNNURM

⁸⁴ Source: BMC budget documents for various years. Figure includes revenue & capital expenditure by Union government and State share in capital expenditure.

⁸⁵ Slum Free City Plan for Bhopal Metropolitan Area, BMC, Vol. I, January 2013. Technical Group on Urban Housing Shortage reports that State is in need of 1.10 million houses.

⁸⁶ Op. Cit. ACE (2013).

A lackluster response by administration in construction of houses for urban poor led to increased tenure insecurity amongst urban poor. Social audit of BSUP in Bhopal carried out by Centre for Urban Equity concurred with the study's findings. Audit revealed that people had little knowledge about BSUP as administration did not carry out consultations during preparation of DPR: "Many houses were allotted to people who neither lived in the settlement nor were below poverty line. Earlier these households enjoyed various other subsidies by State government, which were subsequently withdrawn. BSUP housing meant an end to all subsidies, increasing unexpected expenditure for people. List of beneficiaries was not finalised before commencement of construction, which created confusion amongst people. Subsequently, houses were badly vandalized, and finally, people frustrated with the allotment process, entered houses forcefully and occupied them. Design of housing unit had a toilet adjacent to kitchen, which was unacceptable to people. Many HHs also complained that houses were small, although capacity of houses was better in comparison to Shabari Nagar."⁸⁷ Assessments of JNNURM by State Government focused on many benefits to people from infrastructure created under the programme. However, these assessments did not adequately highlight concerns of the population that faced displacement under development projects of JNNURM.

Nagrik Adhikar Manch evam Yuva Samvad, a network of CSOs working with displaced people recorded their testimonies. Since 2010, BMC has rehabilitated 1,500 displaced families to a site, *Kanasaiya*, 20 km away from the city). The rehabilitation exercise had an adverse effect on all aspects of life of slum dwellers, including those of children. As *Kanasaiya* is 20 km away from the city, rehabilitated slum dwellers travelled this distance for work. This added to financial burden of these families as they needed to spend on transportation from their meager wages. Though, authorities had promised basic amenities after rehabilitating urban poor including children but the promises remained unmet. Anganwadi Centres were completely missing, which had an adverse impact on pre-schooling and immunization facilities for children. In the absence of immunisation, children whose immune systems are not fully developed became more prone to malnourishment. Time by mothers in commuting also affected care of children adversely. This forced many women to leave their employment. There were no community health centres in *Kanasaiya* and electricity connection was given to only those who held *pattas*. Condition of water supply and sanitation was grim. Despite government providing security of tenure through *pattas*, high cost of building homes resulted in several dwellers selling off their allotted land.

⁸⁷ D. Mahadevia, A. Datey & Aseem Mishra, "Foisting Mass Housing on the Poor: Lessons from Social Audit of BSUP", Working Paper 21, Centre for Urban Equity, CEPT University, 2013.

Table 58: Number of Families displaced due to JNNURM project

Place	No. of Families Displaced	Displace due to	How far Rehabilitated from original Place
Aam Nagar	300	Four Lane Road construction	25 km
Shakti Nagar	600	Four Lane Road construction	12 km
Saket Nagar	300	Four Lane Road construction	1.5 km
Shiv Mandir	150	Four Lane Road construction	
DurgaMandir	55	Four Lane Road construction	15 km
PulBogda	70	Four Lane Road construction	20 km

Source: Visthapan Dar Visthapan, *Nagrik Adhikar Manch evam Yuva Samva*.

IV. Where does the hurdle lie?

There are a number of causal reasons for inadequate allocations in schemes catering to needs of children and urban poor in Madhya Pradesh. Most important, among these, is inadequate fiscal space available to the State.

Limited fiscal space: The State has curtailed its fiscal deficit to the norm prescribed by Fiscal Responsibility and Budget Management (FRBM) Act through rationalisation of expenditure. This has adversely impacted State's expenditure on social sectors. Under Social Services, share of Capital Expenditure to Total Expenditure decreased from 7.3 percent in 2011-12 to 6.20 percent in 2012-13. This decrease in share of Capital Expenditure was observed largely in water supply, sanitation, housing and other urban development sectors. Hence, there is a need for greater priority to Capital Expenditure under social sector. Likewise, under Revenue Expenditure, share of salaries and wages under Social and Economic Services together decreased from 31.02 percent in 2011-12 to 27.8 percent in 2012-13. The operation and maintenance expenditure also decreased from 2.5 percent in 2011-12 to 2.2 percent in 2012-13 for water supply, sanitation, housing & urban development, irrigation and flood control.

Limited resources with ULBSs: Most schemes are not implemented properly locally (by BMC) due to limited provisioning of schemes for urban poor, especially for children by local authorities. Many instances of violation of guidelines were reported by CAG, where benefits hardly reached intended beneficiaries. Smaller schemes suffered from even meager allocations, which impeded effective implementation.

Shortage of human resources: Availability of regular qualified staff affects capacity of the State Government apparatus in implementing schemes. Shortage of human resources (at various levels) to implement and monitor schemes has been a major reason for poor implementation.

In Urban Administration and Development department, percentage of vacant posts against number of sanctioned posts at different levels ranged from 24.1 percent to 64.4 percent in 2012-13. Women and Child Development department showed 43.4 percent sanctioned posts lying vacant,⁸⁸ while 36.4 percent sanctioned posts were vacant in Directorate and Finance departments of Madhya Pradesh.⁸⁹ Due to unavailability of staff in crucial posts, the State was unable to utilise funds for: Special Assistance to Pregnant Woman of SCs/STs (TSP, Rs. 49.75 crore); Special Assistance to Pregnant Woman of SCs/STs (SCSP, Rs. 40.2 crore); Construction of Building for AWC (TSP, Rs. 20 crore); Construction of Anganwadi Buildings with Pre-Feb Technique under NABARD (Rs. 50 crore); Construction of AWC funded by CFC (Rs. 64 crore); Construction of AWC funded by CFC (SCSP; Rs. 16 crore) and Establishment and Operation of Model Schools (CSS, Rs. 126.6 crore).

Box 16: DPR of Kalpana Nagar (2011)

This township meant for rehabilitating slum dwellers will have all civic amenities like community open spaces, park/Garden, playground, schools, dispensary.

What do Objectives Say about Children?:

To give maximum open space for children to play in a traffic-free zone.

What it Offers for Urban Poor? 2 rooms with 1 toilet & kitchen attached

Funding: Total cost of 1 Dwelling Unit= 1.20 lakh;

Share: GoI (50%); State (20); Corporation (30%). Corporation share has 2 shareholders (Beneficiary + Corporation)

Bottlenecks in budgetary processes have also affected quality of expenditure and caused rush of expenditure in last quarters of the financial year. For 70 schemes under various departments, total expenditure was Rs. 8849.6 crore in 2012-13. Out of this, 92.1 percent expenditure took place between January and March, with 85.1 percent in March alone.⁹⁰ This led to late submission of funds, which could not be used for other purpose.

V. Summary of observations

Political stability in the State gave chance to policy makers to strive for sustainable development with inclusive approach. Large number of schemes for the welfare of poor people and children were introduced during the study period. Since BSUP under JNNURM, several policy reforms took place both at the State and ULB levels. Macro and micro analysis of budgetary allocations for children in slums and comparison with outcomes showed mixed results.

A major observation of the study is that there were only few State Plan schemes for the welfare of children in slums- such as *Atal Bal Arogya Mission*, *Ladli Lakshmi Yojana*, distribution of cycles, etc. Even these were not implemented properly. For addressing the needs of urban poor and children, Madhya Pradesh depended largely on Centrally Sponsored Schemes (like ICDS, SSA, RAY and JNNURM). Other than departments like W&CD and School Education

⁸⁸ Annual Report 2013-14, Women and Child Development Department, Madhya Pradesh.

⁸⁹ Annual Report 2013-14, Finance Department, Madhya Pradesh.

⁹⁰ Report of the CAG of India on State Finance, 2012-13, GoMP.

(primary), whose direct focus is on children, other departments did not recognize differential needs of children, especially those living in urban poverty. For instance, the Bhopal CDP (2005) added 'status of children in life' as a non-economic indicator to recognise poverty of a family. CDP did not mention the need for any platform to address grievances of children. None of the children's concerns were covered in the six focus areas of CDP- physical sustainability, mobility, slum free Bhopal, economic friendliness and city beautiful. A household was merely treated as a unit of implementing the schemes dealing with urban poor; and in certain cases, the scheme guidelines were not adhered to properly. Moreover, the schemes were not funded adequately.

State has provided security of tenure under BSUP, which is a welcome step. However there was lack of provision of the three components promised under BSUP- housing, basic amenities, and social services. As has been discussed, high cost of building own house on allotted plots of land, caused several owners to sell lands and shift to other slums in the outskirts of city. Even low interest loans did not seem as a viable option by slum dwellers, as they feared losing present allotted flat in the absence of repaying loans due to low incomes. A focus on children's concerns was missing from 'Planning' for improving living conditions for urban slums. At the same time, interventions aimed at alleviating poverty and provision of basic amenities in urban slums were inadequately funded and suffered from gaps in implementation. The study highlights a number of issues that need to be taken in account, both at macro and micro level, to effectively address the needs of children living in urban slums.

Chapter 8

Concluding Observations and Recommendations



Concluding Observations and Recommendations

Analysis of Union Budget, State Budgets and budgets of Municipal Corporations show dearth of budgetary resources for provisioning of services in slums, which hits children the most. Share of total allocations for urban poor in Union Budget is less than 0.3 percent in 2014-15. Union Budget 2014-15, provides an allocation of Rs. 4,210 crore for slum development programme (through BSUP, IHSDP and RAY) as against the HPEC estimate of Rs. 42,500 crore annually for slum rehabilitation and slum development (in 12 FYP). The problem of under allocation coupled with under-utilisation worsened the situation. In 2012-13, 49.3 percent of funds allocated for urban poor were utilized as compared to 65.4 percent of spending on urban poor (as share of allocation) in 2010-11, thus recording a decline of 16 percentage point between 2011 and 2013. The study also reveals that budgetary allocations for maintenance of facilities created for the urban poor do not exist even at the State Government levels. It is only at the Municipal levels that some funds are allocated towards maintenance purposes.

There are no substantive interventions for children living in slums at the State Government level. The States studied were found to have only few State Plan schemes for the welfare of children such as *Atal Bal Arogya Mission*, *Ladli Lakshmi Yojana*, in Madhya Pradesh; which too were not implemented properly. The states largely depend on Centrally Sponsored Schemes (such as ICDS, SSA, RAY and JNNURM) to address needs of urban poor and children. Apart from Greater Mumbai Municipal Corporation, the other three Municipal Corporations, specifically Bhubaneswar and Bhopal, are mostly dependent on State and Central resources for implementing schemes, hence they have shown inadequacy in their allocations. Basic infrastructure development programmes are implemented by different sectoral agencies under specific projects without integration with similar infrastructure projects. In order to have a holistic approach towards urban poor as well as children living in slums, there is a need for strengthening civic engagement in issues of slum improvement and convergence of schemes at the municipal corporation level.

Under many of the flagship schemes being implemented for children's welfare, unutilized funds and skewed expenditure patterns (rush of funds towards the end of fiscal year) is a frequent phenomenon. These problems arise due to low levels of fund devolution and lack of adequate planning at the municipal corporation level. Staff shortages at various levels also contribute to these bottlenecks.

Efforts of alleviating poverty should take into account factors that exacerbate vulnerability of disadvantaged urban child. Some policy areas that need to be strengthened are indicated below:

Policy recommendations

It is increasingly necessary to have a sustainable response to improving the living conditions of urban poor. An observation of the study is that sizable number of slum children remain uncounted in government records and remain excluded from a range of basic civic amenities. Efforts of poverty alleviation should take into account factors that exacerbate the vulnerability of disadvantaged urban children. Some areas that need to be strengthened are discussed below:

Need for a comprehensive database on children living in slums: There is a need for adequate budgetary provision for creating a comprehensive database on slum children across the country, covering all aspects of wellbeing of children: which can be done by enhancing Union Budget allocation for Urban Statistics for HR and Assessment (USHA) scheme of the Union Ministry of Housing and Urban Poverty Alleviation (MoHUPA).

Child-focused IEC materials: In order to push the country's urban development/ renewal policies and programmes towards addressing the distinct challenges confronting children living in slums, it would be pertinent to develop appropriate Information, Education and Communication (IEC) materials for urban planners, architects, government officials and Civil Society Organisations (CSOs). In this context, the policymakers in the Union Government should consider increasing the proportion of funds in newer schemes like Smart Cities Mission, AMRUT, Pradhan Mantri Awas Yojana etc. to more than 5 percent being spent at present.

Recognizing the important role of mothers: Counseling and awareness creation efforts to sensitize parents in slums need to be incorporated as an intervention under the Integrated Child Protection Scheme (ICPS) of the Union Ministry of Women and Child Development (MWCD). Empowering mothers would have a significant positive impact on children. Hence, existing programme guidelines in Pradhan Mantri Awas Yojana for registration of dwelling units (for urban poor), preferably in the name of female members of households need to be strictly adhered to during the implementation process. This has been observed to have a positive impact on the overall development of children. Provisioning of maternity and child care centres in slums also needs to be prioritized with adequate budgetary support.

Increasing the budgetary resources for provisioning of services required for children living in slums: Analysis indicates shortage of budgetary resources for provisioning of services required for wellbeing of children living in slums. Several important aspects of wellbeing of children in general and young children in particular, like maternity and child care services, healthcare services, safe drinking water and sanitation facilities, pre-school education, and

playgrounds and recreational facilities etc. are severely underfunded at present. Within limited budgets allocated for urban poor related schemes, primary focus is on provisioning of dwelling units and that too of an extremely modest quality. There is a need for significantly enhancing the budget allocations for urban poor in order to finance provisioning of all basic services in slums across the country.

State Governments have been dependent almost entirely on funds available in existing Central programmes for addressing the challenges faced by urban poor, with only a few State Plan schemes in place, having low allocations. In this context, it needs to be emphasized that State Governments too need to provide adequate budgetary allocations for urban poor related interventions and provisioning of basic services in slums.

Improving unit costs in urban poor focused schemes at local level as per need: As stated earlier, the extent of public provisioning of essential services for urban poor has been limited focusing mainly on provisioning of dwelling units of a modest variety - substandard quality of housing facilities for urban poor is rooted to the problem of low unit costs for such facilities. In some of the study States, government officials in Municipal Corporations pointed out an urgent need for revising unit costs in schemes like BSUP and IHSDP, since these were inadequate to meet reasonable standards of quality and constraining implementation. Keeping in mind the health and safety needs of young children, housing facilities for the poor in urban areas should incorporate a range of features such as – security grills for windows, mosquito nets for windows, protected staircases, measures for mitigating environmental hazards, provisioning of community spaces and playgrounds, and appropriately designed streets etc. Incorporating such features in Smart Cities, AMRUT and Pradhan Mantri Awas Yojana would necessarily require the unit costs for housing facilities to be improved significantly. Similarly, as regards the provisioning of drinking water and sanitation facilities in the slums, the unit costs needed to be stepped up to improve coverage as well as quality.

Budgets for maintenance of facilities created for the urban poor: Till date, there is no allocation of resources in the Central schemes for financing maintenance of facilities created for urban poor; resources for the purpose are to be collected from beneficiaries. Analysis shows that small amounts have been allocated in the Budgets of Municipal Corporations for maintenance related expenditures. With most Municipal Corporations dependent on funds of Union and State Budgets, it is necessary for Governments at both levels to allocate adequate amounts for maintaining facilities for urban poor.

Quality of planning and implementation of schemes and the need for greater fiscal decentralization: Analysis in this study shows that problem of under-utilization of available budgetary resources as well as deficiencies in quality of utilization of resources can be found in most of the schemes meant for urban poor. Perceptions of government officials, civil society actors and people living in slums indicate a host of factors that could be behind the problems in fund utilization in urban poor schemes. Shortage of human resources in Municipal Corporations as well as shortage of frontline service providers for various essential services

appears to be one such factor. Delay in flow of budgetary resources during a financial year, reducing the time available for carrying out the interventions planned for an entire year, combined with lack of adequate clarity about guidelines of schemes is another major factor. Finally, the deficiencies in the plans or need assessment documents prepared for the slums (such as DPR and CDP) is a significant cause underlying poor utilization of available budgetary resources.

Both the Union and State Governments should adopt policy measures to address the three categories of implementation bottlenecks, viz. staff shortage, delayed flow of funds and lack of clarity in guidelines, and deficiencies in plans made for slum rehabilitation/improvement and other interventions by the government. The policy space available to Municipal Corporations for designing their own interventions remained grossly inadequate (in places like, Bhopal, Bhubaneswar and even Hyderabad). The recommendations of Fourteenth Finance Commission (FFC) were made after the conclusion of study period, tries to address some problems of devolution of untied funds to Municipal Corporations.

Need for convergence within social sector schemes at the level of municipal corporations: Just as Central programmes and schemes focusing on urban poor need to be made more responsive to distinct challenges and needs of young children in slums, the Central schemes focusing on children (e.g. Sarva Shiksha Abhiyan (SSA), Integrated Child Development Services (ICDS), Immunization Programmes, and ICPS, among others) too need to recognize young children living in slums as a particularly vulnerable group and incorporate additional features (in terms of additional facilities or entitlements and hence higher unit costs) for them. Redesigning of schemes for urban poor as well as those focusing on children and improving their unit costs would be not be very effective in addressing needs of children living in slums as long as the Municipal Corporation and relevant State Government Departments continue to implement their respective schemes in silos without adequate convergence. Such convergence should ideally happen at the level of the Municipal Corporation, since convergence of budgets allocated for schemes run by different Ministries/ Departments appears to be a difficult task. Hence, every Municipal Corporation should be provided adequate information by various State Government departments about funds they have allocated in their respective schemes for people living in the jurisdiction for effectively addressing the needs of children living in slums.

Budget transparency at the grassroots level: Consolidated information about funds available under the schemes for urban poor as well as those focusing on children for every Municipal Corporation should be made available in the public domain in a user-friendly and timely manner. Such information, if made available in the public domain would enhance budget transparency at the grassroots level considerably: this in turn would improve the fund utilization process significantly. Transparency about budgets at grassroots level in urban areas could also lay the foundation for 'Participatory Budgeting' in Municipal Corporations, which can go a long way in making urban development interventions far more responsive to the needs of vulnerable sections. We may note here that Pune Municipal Corporation started a

process of 'Participatory Budgeting' and other Municipal Corporations across India could be encouraged to move in this direction.

Creation of a budget division in every municipal corporation: Every Municipal Corporation should have a separate 'Budget Division', which should gather and maintain budgetary information of all departments and disseminate this information to all stakeholders to make budgetary process transparent and participatory. This will strengthen financial management at the level of Municipal Corporation further.

Incorporating the child-responsiveness lens in monitoring mechanisms and statutory audit processes of schemes: In the processes of internal monitoring and supervision of schemes meant for urban poor and audit of such schemes by the Supreme Audit Institution (i.e. the Office of the Comptroller & Auditor General of India), a number of parameters should be incorporated from the perspective of needs and rights of young children.

Chapter 9

Annexure



Annexure

Recent Policies and Interventions for Urban Areas

Since dawn of civilisation, there has been an influx of people in urban areas, marking 21st century as the "urban century". It is estimated that by 2050, about 70 percent of the global population would be living in cities - India is not an exception to this phenomenon. According to Census 2011 estimates, 31.2 percent of the Indian population lives in urban areas, with nearly 17.7 percent or 65 million of urban population residing in slums. Projections show that by 2030, around 575 million people, i.e. double the current urban population will live in urban areas in India, reaching close to 814 million by 2050. With this Mumbai and Delhi would be amongst five largest cities of the world. Urban areas in India, fail to meet the demands of increasing population pressure, resulting in large gaps in provisioning of basic amenities like housing, drinking water, sanitation, transportation etc. Deprivation of such services has led to burgeoning of slums, making conditions unfit for human habitation.

Analytical chapters of the study (2 to 7) cover time period for policy interventions at the national, state and municipal level till financial year 2013-14. In the current chapter, analysis of recent policies for the welfare of children in urban poverty has been done

Analysis of Select New Schemes by Union Government focusing on Urban Development

The Union Government announced few new schemes since Union Budget 2013-14, renaming few existing schemes like JNNURM and Sardar Patel Mission (including RAY and Rajiv Rin Yojana) that addressed urban development and poverty. These new schemes continue to be administered by MoHUPA and MoUD, which are key Union Ministries addressing challenges and needs of urban poor.

- The expenditure by Ministry of Housing and Urban Poverty Alleviation in 2015-16 was only Rs. 1761 crore against the budget allocation of Rs. 5635 crore.

MoHUPA:

- In comparison to 2013-14, MoHUPA was allocated Rs. 4,550.5 crores higher in 2015-16 BE. However, it needs to be observed that revised estimates for 2015-16 came down to Rs. 1,961 crores. The major reason for this fall was under-utilisation of funds under Sardar Patel Urban Housing Scheme, the revised expenditure for which stood at Rs. 1,296 crore in 2015-16, much lower than the original budget outlay of Rs. 4,150 crore. Also, almost the entire sum of Rs. 450 crores allocated under Rajiv Rin Yojana remained unutilised in 2015-16 RE.
- RAY and IHSDP and BSUP under JNNURM have been discontinued.

- Housing needs of urban poor are presently being addressed by Pradhan Mantri Awas Yojana (Urban), the flagship programme of MoHUPA. The allocation for this scheme constitutes around 94 percent of the total outlay for MoHUPA in 2016-17.
- National Urban Livelihoods Mission (NULM) has been allocated Rs. 325 crores. The scheme has utilised only around 50 percent of the budget outlay in 2015-16. The actual expenditure under this scheme was Rs. 703 crores in 2014-15.

MoUD:

- There has been a substantial increase in the outlay for MoUD from Rs. 19,217 crores in 2015-16 BE to Rs. 24,523 crores in 2016-17 BE (Figure 19.2). This is due to an increase in allocation for MRTS and Metro Projects and Mission for development of 100 Smart Cities.
- Atal Mission for Rejuvenation for Urban Transformation (AMRUT) is a major scheme of the ministry focusing on urban infrastructure. UIG and UIDSSMT under JNNURM have been discontinued.

Overall budget for urban poor by both MoHUPA and MoUD has decreased slightly when compared to 2014-15 BE. However, with most of the schemes under these ministries undergoing a change in funding after increase in devolution of resources from Centre to the States as recommended by the Fourteenth Finance Commission, this needs to be seen in the light that.

Most significant policy interventions during the study period in urban development were JNNURM and RAY. Budgetary allocations in 2015-16 and 2016-17 eventually replaced these schemes by the **Mission for 100 Smart Cities and Urban Rejuvenation Mission-500 Habitations**, which are expected to continue developing urban infrastructure, with the earlier Sardar Patel Urban Housing Scheme to achieve the targets through **Housing for all by 2022**.

a. Atal Mission for Rejuvenation and Urban Transformation (AMRUT)- AMRUT scheme was launched in June 2015 with an outlay of Rs. 50,000 crore for a period of five years (2015-16 to 2019-20).⁹¹ The objective of AMRUT is to make cities more livable and inclusive, resulting in economic growth. AMRUT has been designed to initially include major components of the JNNURM program such as building roads and flyovers, augmentation of water supply, sewage and septage management and drainage. It further includes few suggestions by the Prime Minister, such as wi-fi zones in cities along with digitization and improving governance, especially electronic delivery of services. AMRUT adopts a project-approach to ensure basic infrastructure services. For the first phase, 89 cities in Andhra Pradesh, Gujarat and Rajasthan have been allocated funds by the Apex Committee under the State Annual Action Plans (SAAP) for period of 2015-16. A City Mission Management Units (CMMUs) is proposed to be set up at each city level, which shall assist the ULB in terms of staff and technology.

The scheme at present offers provisions only for green spaces and parks for meeting the needs

⁹¹ 'Amrut rollout only from next fiscal', January 5, 2016, available at <http://www.thehindu.com/news/cities/kozhikode/amrut-rollout-only-from-next-fiscal/article8067005.ece>

of children.

b. Smart Cities Mission - To face the challenge of rapid urbanisation, the current government has proposed creation of 100 'Smart Cities' by 2022, out of which a list of 60 cities has been announced: first 20 cities were announced in January, 2016; 13 cities were selected in May, 2016 and 27 cities were chosen in September 2016. As one of the most ambitious schemes of the new government, concept note by MoUD defines Smart Cities as; “...cities which have smart (intelligent) physical, social, institutional and economic infrastructure while ensuring centrality of citizens in a sustainable environment. It is expected that such a Smart City will generate options for all residents to pursue their livelihoods and interests meaningfully and with joy”. The mission proposes to promote area-level innovation for project-based or multi-sector development, which is an approach being used in India for the first time.

The total cost of the scheme is estimated to be Rs. 1,31,762 out of which Rs. 48,000 crore would be made available through budgetary outlay over four years spanning from 2016-2020. According to the estimate of the High Power Expert Committee (HPEC), investment in urban infrastructure close to Rs. 7 lakh crore would be needed for 100 smart cities in next 20 years with an average population of one million people in each of the cities. This turns out to be an annual requirement of Rs. 350 crore for the development of one smart city. The MoUD expects additional resources for financing of smart cities to come from matching contribution by States/ULBs, user charges, municipal bonds, land-based instruments, borrowings from bilateral and multilateral institutions, National Investment and Infrastructure Fund (NIIF) and by way of private investment through PPPs (MoUD, 2017). With a meager allocation of Rs. 2,020 crore for this mission in budget 2016-17, it would be a challenge to fill the vast gap through private sector investment which is largely driven by profit motive. It has been proposed that the selected cities will include special investment regions or special economic zones with modified regulations and tax structures to make them attractive for domestic and foreign investment. So far, the Smart Cities project appears to be catering to the needs of the neo-middle class and conceptualised on the lines of SEZs. The needs of the marginalised in such cities have not been addressed. If we go by the existing practices whereby slum dwellers, in the name of rehabilitation, are pushed to the peripheral areas of cities, then with the development of satellite towns adjoining such cities the urban poor would be pushed further away. With many developed countries coming forward to assist India in this mission, it is likely that this project is looked as an investment opportunity more than anything else. There is a concern that such cities will be exclusionary, neglecting the needs of the urban poor. The government must ensure that interests of the poor and marginalised in urban areas are protected.

For children, the only core infrastructure elements in a smart city includes safety and security of citizens (particularly women and children), however detailed guidelines have not been formulated by the government till date.

c. Pradhan Mantri Awas Yojana - The scheme originally launched in June 2015 as 'Housing for All' was renamed Pradhan Mantri Awas Yojana by the present government to be

implemented from 2015 to 2022. Pradhan Mantri Awas Yojana (Urban) envisages construction of houses with basic amenities for urban poor. Eligible families/ beneficiaries will be given central assistance through States and UTs only under one of the verticals. The scheme earmarks 35 percent of houses to be built for people in EWS and LIG categories across all statutory towns in India. The mission is planned to be implemented through four verticals: in situ slum redevelopment, affordable housing through credit-linked subsidy, Affordable Housing in Partnership (AHP) and subsidy for beneficiary led individual house construction or enhancement (BLC). The central government shall give a fixed grant of Rs. 1.5 lakh per EWS house for AHP and BLC verticals. State Government would have flexibility in deploying this slum rehabilitation grant to a project taken for development using land as a resource for providing houses to slum dwellers. Government would provide subsidy of 6.5 percent on housing loans for a period of 15 years, giving preference to female applicants. The scheme will be implemented till 2022 in three phases.

The intangible benefits from improvement in physical environment and housing condition would be health gains to children and overall improvement in quality of life.⁹² However, despite the document on 'Best Practices: Habitat Planning and Design for Urban Poor' recommending creating open, safe and green child-friendly play areas, study centre cum library with separate study centres for boys and girls; nothing concrete at this stage can be observed for children under PMAY as on date.

d. Swachh Bharat Mission (SBM) - SBM, conceptualised by the new government in December, 2014 lays down six themes for the nationwide mission: clean anganwadis, clean surroundings, clean self, clean food, clean drinking water and clean toilets. The SBM draft, released on 22 August 2014 combines drinking water supply and sanitation programmes to achieve safe water supply and open defecation-free status in both urban and rural India by 2019.⁹³ SBM is expected to cost around Rs. 62,000 crore for a period of five years for the urban counterpart. However, unlike initial projections, the unit cost of construction of toilets is Rs. 21,000 in place of the current Rs. 12,000. Hence, additional resources would have to be generated under this mission to meet the given targets.

SBM will aim to address the issue of lack of hygiene and poor sanitation, which causes one in 10 deaths in India and is responsible for nearly 1,000 child deaths per day.

e. National Urban Livelihoods Mission (NULM) - To address the vulnerability of the urban poor, government has continued with National Livelihood Mission (Urban). The government had announced a similar scheme called *Deen Dayal Upadhyaya Antyodaya Yojana* on 25th September 2014 for uplifting both rural and urban poor. However, there was no mention of this scheme in budget 2016-17. NULM is a mission-mode approach to urban livelihood, since

⁹² 'Implementation of the rural housing scheme of Pradhan Mantri Awas Yojana – Gramin to achieve Housing for All by 2022.', available at <http://pib.nic.in/newsite/PrintRelease.aspx?relid=138324>

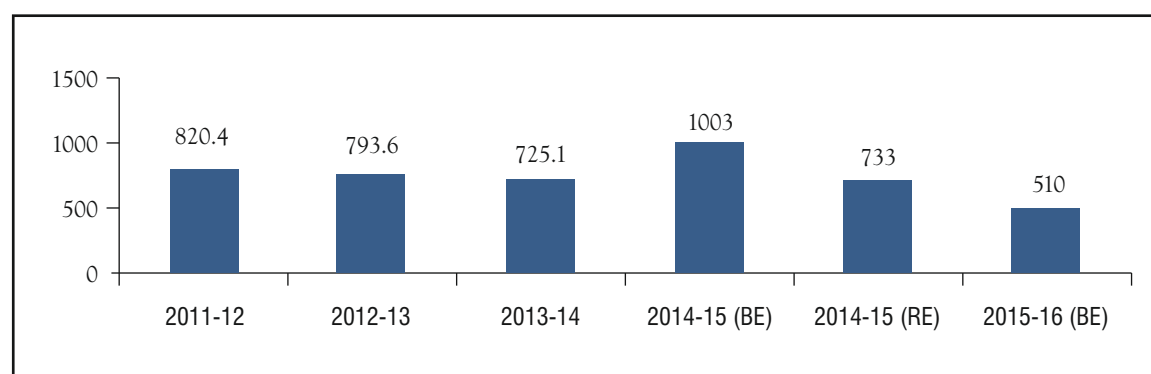
⁹³ 'Not Rhetoric: What Swachh Bharat Abhiyan Really Needs' available at http://www.cbaindia.org/files/featured_articles/Nor%20Rhetoric%20-%20What%20Swachh%20Bharat%20Abhiyan%20Really%20Needs.pdf

urban poverty alleviation programmes need to be based on skill development and easy access to credit. While residential vulnerability issues are being addressed through some of the schemes described above, occupational and social vulnerabilities can be addressed by creating opportunities for skill development leading to market-based employment. NULM aims to place emphasis on convergence with schemes of relevant line Ministries/Departments and State Governments dealing with skills, livelihoods, entrepreneurship development, health, education, social assistance, etc.

Overall, there seems to be heavy dependence on private investment to fulfill the plans of the government for urban development. With changing pattern of financing of various schemes, role of States is envisaged to become critical and the final outcome will depend on both spending capacity as well as priorities of State Governments.

For young children and other vulnerable groups, the scheme proposes to create special sections within homeless shelters and provisioning of special service linkages for these groups. Guidelines for these schemes have not been detailed in scheme documents.

Figure 23: Budgetary Allocations/Expenditure under National Livelihood Mission (Urban)/ SJSRY (in Rs. crore)



Source: Union Budget, Expenditure Budget Vol. II, MoHUPA, various years

Gaps in these schemes

Of the above schemes, implementation of both AMRUT and Smart Cities Mission are linked to urban reforms such as "e-governance, constitution of professional municipal cadre, devolving funds and functions to urban local bodies, review of building bye-laws, improvement in assessment and collection of municipal taxes, credit rating of urban local bodies, energy and water audit and citizen-centric urban planning". Although discussion on smart cities revolves around ICT, IT systems cannot be programmed to make human judgments and sustainable choices. In addition, the scheme aspires to merge infrastructure in developed countries to use of big data and governance in city governance, which seems to be largely based on centralised

control.⁹⁴ This would leave out many citizens from decision-making, especially the urban poor and children residing in slums.

Budgetary allocation for 2016-17 for Smart Cities and AMRUT is Rs. 3,205 crore and Rs. 4,091 crore respectively. With 20 cities selected under Smart Cities project for first round, the current allocation is only 32 percent of the total proposed amount (Rs. 500 per city for a period of 5 years *20 cities = Rs. 10,000 crore). Matching contribution is to be made by State Governments, but many State Governments find current commitments from the Centre to be insufficient. Since there is significant departure of both schemes from JNNURM, where MoUD was monitoring city-level initiatives, it must be observed that targets under Smart Cities and AMRUT mission are more ambitious than JNNURM and UIDSSMT. Since the latter two programmes could not achieve physical and financial progress, targets under Smart Cities and AMRUT are likely to throw greater implementation challenges. In order to augment capacities at city level, Government is encouraging implementation under PPP mode by bringing implementation acumen of the private sector. However, the States and Cities will still require technical support for efficient execution of features introduced for the first time such as consideration of sustainability in developing infrastructure projects, structuring PPP arrangements, participatory approaches to project planning and management through extensive public consultation and engagements, etc.⁹⁵ Importance on scheme monitoring and tendering projects can only be laid when preparatory work is complete on time. Many State Governments, even those selected in the initial rounds are presently struggling in preparing action plans, without making any official announcements on the State's contributions in these schemes.⁹⁶

As per 74th Amendment Act, 1992 of the Constitution, urban poverty alleviation is a legitimate function of the ULBs. It is therefore, essential for ULBs to undertake a lead role for issues concerning urban poor in cities/towns, including skills and livelihoods.⁹⁷ Although a list of 18 functions have been transferred by States to ULBs, actual transfer of functions varies in every State. Given limited financial resources, many Municipal Corporations (or ULBs) have not been able to take up even a second or third function, making ULBs unanimous with the name of activity undertaken such as solid waste management. The Fourteenth Finance Commission (FFC) recommendations on devolution and changed pattern of resources from Centre to States has experienced a decrease in resources allocated to urban poor from previous years. To enhance incomes of ULBs, the FFC recommended reforms in many local taxes such as property and entertainment tax etc. along with rationalising service charges under relevant legislations. With MoUD setting high benchmarks on basic services, these need to be provided with greater efficiency. However, the situation is far from satisfactory, increasing the vulnerability to diseases and safety of young children and women. The FFC also proposes

⁹⁴ 'The un-smart cities', available at http://www.india-seminar.com/2015/665/665_partha_mukhopadhyay.htm

⁹⁵ 'India's flagship urban missions - Smart Cities and AMRUT', available at <http://shaktifoundation.in/indias-flagship-urban-missions-smart-cities-and-amrut/>

⁹⁶ 'Amrut will boost development in urban areas, says CM', available at <http://timesofindia.indiatimes.com/city/vijayawada/Amrut-will-boost-development-in-urban-areas-says-CM/articleshow/52181508.cms>

⁹⁷ 'NULM Mission Document', available at http://nulm.gov.in/PDF/NULM_Mission/NULM_mission_document.pdf

raising additional resources through Municipal Bonds and PPPs, suitable only to large ULBs that are few in number.

In the opinion of some experts, the concept of 'Smart Cities' is ambiguous as cities chosen will be far from 'Smart' as defined by urban planners and distract from pressing problems that cannot be resolved using 'smart' solutions. The concept initiated in Europe a decade ago was meant to address transitioning of cities towards sustainable development, defined by an expert as "optimally functional city: resource-light and compact".⁹⁸ Hence, given the Indian context, smart cities scheme will have limited success, unless it can "leverage on large economies of scale".⁹⁹ Further, under each of Pradhan Manti Awas Yojana, Swachh Bharat Abhiyan and NULM, specifics for children in urban poverty have not yet been disclosed or detailed.

Policy of most municipalities in India has been to periodically evict urban poor, which displaces them. With no work and shelter, these people go back to villages and are forced to return to cities, resulting in 'circular migration'.¹⁰⁰ Tackling massive network of slums is an area that most of the current schemes do not deliberate directly. Within that, there is no clear strategy to address the needs of children in urban poverty. Implementation of most schemes is being conducted by hiring private consultants, who may partially or completely neglect the needs of urban poor and of children living in slums.

Summary of observations

Unlike the West, India is in a better position to go for sustainable development because its current urbanisation level is just 35 percent.¹⁰¹ By 2030, the urban population is expected to rise to nearly 600 million from the present 400 million, and to 800 million by 2050. One of the tests of the schemes would be to note whether they are migrant-friendly.

The overall scenario of Municipal finances is set to undergo major changes with the introduction of Goods and Services Tax (GST). All cities, except Mumbai, have abolished octroi but none have found a suitable alternative. ULBs will have to deal with a huge fiscal gap once such entry taxes are scrapped to make way for the new taxation system. To ensure the financial sustainability of the ULBs, the MoUD has asked for 25-30 percent share for such bodies in the state's share of the GST. This is an opportunity for ULBs to revamp their existing systems and start afresh by bringing greater transparency in day-to-day functioning, regularly publishing data and improving the service level benchmarks, resulting from better provision of assigned services, looking for viable sources of finance and improving existing ones etc. Rapid pace of urbanization will bring both opportunities and challenges for ULBs. They must meet these challenges by constantly innovating to meet expectations of providing healthy living conditions for all sections of the society.

⁹⁸ 'India push for smart cities won't solve urban woes', available at <http://www.thenational.ae/world/south-asia/india-push-for-smart-cities-wont-solve-urban-woes>

⁹⁹ 'Indian smart cities need to be developed under the Indian context', available at <http://www.smartcitiesprojects.com/indian-smart-cities-need-to-be-developed-under-the-indian-context/>

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Apart from looking for new avenues for funding local authorities, ULBs will need to become efficient in collection of taxes and other user charges. For instance, property tax is a major source of revenue for ULBs list of properties and their value is not regularly revised resulting in revenue loss. For the smaller ULBs, it poses a bigger challenge as their municipal bonds might not appear favourable for investors, putting them at risk of market volatilities.

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Centre for Budget and Governance Accountability (CBGA)

B-7 Extn./110A (Ground Floor), Harsukh Marg,

Safdarjung Enclave, New Delhi-110029

Phone: +91 11 49 200 400 / 401 / 402

Fax: +91 11 40 504 846

Website: www.cbgaindia.org

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