

**Progress Report on Urban Reform Agenda
Under
JNNURM
Government of Punjab
(Up to February 2014)**

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PART 1: Executive Summary

1.1 Background of the Assignment

1.2 Progress in implementation of Reforms in Punjab upto February 2014

The Government of Punjab (GOP) has signed the MoA on 8th December 2006. The State made a relatively slow start and signed the MoA, almost a year after the launch of the mission. The progress during the initial years has been rather slow. It is noteworthy to deliberate here that the State has picked up pace in the last couple of months and most reforms have been completed.

As per the MoA, ten reforms are to be implemented by the State Government and out of ten state-level reforms, seven reforms are mandatory and three reforms are optional. In Punjab, all the seven mandatory reforms are achieved. These include “Implementation of the 74th Constitutional Amendment Act”, “Integration of City Planning and Delivery of Functions”, “Rent Control Reform”, “Rationalization of Stamp Duty”, “Repeal of Urban Land Ceiling and Regulation Act (ULCRA)” and “Public Disclosure Law”. Recently, the Community Participation Law (CPL) has been enacted. Amongst the three optional reforms, two reforms have been achieved i.e. “Earmarking of 20-25 percent of Developed Land in All Housing Projects for EWS/LIG” and “Simplification of Framework for Conversion of Agricultural Land to Non-Agricultural”. The reform on “Introduction of Property Title Certification System” has not been initiated by the State. It is a complex reform and requires coordination with other departments of the State. With regard to Introduction of Property Title Certification System, ULBs officials have reported that they have no precedent to follow or guide the cities in the way forward for implementation. The key progress made till date is recorded in brief in the Table below and summarised in the following section.

Table 1: Overview of the Reforms (State-level)

S. No	Reforms	Total Reforms in JNNURM	Achieved	In progress	Not Initiated
01	Mandatory Reforms	07	07	00	00
02	Optional Reforms	03	02	00	01
03	Total (State-level)	10	09	00	01

Implementation of the 74th Constitutional Amendment Act

Punjab District Planning Committees Act, 2005 (Punjab Act No.22 of 2005) has been enacted and notified the same vide notification No. 35-LEG-2005 dated 28.11.2005. District Planning Committee has been constituted in all districts of the State. The notification for the setting up of Metropolitan Planning Committee has been issued vide No. 14/167/2012-51g1/2916 dated 26 July 2012. Notification regarding devolvement of all 18

functions has been sent to MoUD vide DO letter No.8786 dated 5th July 2012, by the Principal secretary, Govt. of Punjab.

Integration of City Planning and Delivery of Functions

Urban Planning has been devolved to ULBs as a function under section 50 (B) of Punjab Municipal Act, 1911 and section 275 of the Punjab Municipal Corporation Act, 1976.

Rent Control Reform

A notification has been issued on 10th October 2012 (No.18 –Leg/2012, Punjab Act No.13 of 2012).

Rationalization of Stamp Duty

The State has reduced basic rate on stamp duty to 5% vide notification No. 13-LEG/2007 dated 27th September 2007. The notification has already been sent vide DO letter No. 8786 dated 5th July 2012 by Principal Secretary Local Government to Secretary, Urban Development, and Government of India.

Repeal of Urban Land Ceiling and Regulation Act [ULCRA]

ULCRA Act-1976 has been repealed in the State of Punjab on 22.03.1999 Vide Act No. 15 of 1999.

Public Disclosure Law

The rules for compulsory Disclosures by the Municipalities have been issued vide notification No. GSR.35/C.A.22/2005/Ss.4 dated 18.07.2012.

Earmarking of 20-25 percent of developed land in all housing projects for EWS/LIG category with a system of cross subsidization

25% of the developed land in housing projects for EWS/LIG has been earmarked and all the ULBs have been asked to implement from 2008-09 onwards. (vide notification No.CTP(LG)-2008-175-185 dated 20th January 2008).

Simplification of legal and procedural framework for conversion of agricultural land to non-agricultural purpose

An amendment in the municipal building bye laws has been done vide memo No. CTP-LG-2010-480 dated 23 April, 2010 (Chapter 2). A time limit of 30 days has been fixed for granting change of land use.

Enactment of Community Participation Law (CPL)

There is a provision of constitution of Ward Committee as per Section 42 of the Punjab Municipal Corporation Act, 1976. In order to provide for Area Sabhas, the act has been amended. The Punjab Municipal Corporation (Amendment) Act, 2013 and the Punjab Municipal Citizen Participation Act, 2013 have been sent to the Punjab Press for publication in the Legislative supplement (Extraordinary), dated 16th April 2013.

Property Title Certification

As per the GOP, guidance is required for implementation of Property Title Certification System in order to make the existing property record management system more effective and efficient.

1.3 Impact Assessment of Reforms implemented in Punjab – since most of the reforms have been recently completed, it is too early to assess impacts. This would entail collection of detailed information and data on each of the reform and further merit the commission of a separate study.

1.4 Checklist on Status of Reforms

The ULBs have been assigned scores in the following sub-sections as per the simplified reform calibration method approved by the Central Sanctioning and Monitoring Committee, Ministry of Urban Development. The scores assigned by reform appraisal agencies are only indicative. The Ministry of Urban Development will assign and finalize the score of the ULB.

Summary of Scores for Punjab

Reform	Max. Score	Total Score
State level Mandatory Reforms	70	67.5
State level Optional Reforms	30	20.0
Total	100	87.5

MANDATORY REFORMS

1. IMPLEMENTATION OF 74TH CAA

Sl.No.	Milestone	Maximum Score	Score assigned
1.	Constitution of Municipalities & Elections	2.0	2.0
2.	Transfer of 12th Schedule Functions (18 Functions) to ULBs *	9.0	9.0
3.	Constitution of DPC **	2.0	2.0
4.	Constitution of MPC **	2.0	2.0
Total Score		15.0	15.0

* @ 0.5 score for transfer of each function.

** States Exempted under 6th Schedule of Constitution will be considered as having achieved this module. Also, in States having no region eligible to be declared as Metropolitan Region, these 2 marks will be assigned pro-rata to other items.

2. INTEGRATION OF CITY PLANNING AND DELIVERY FUNCTIONS

Sl.No.	Milestone	Score	Score assigned
1.	Resolution to assign ULBs with City Planning Functions, including Development Control Regulations & Building Byelaws	1.0	1.0
2.	Preparation of CDP with Inclusive and Integrated Planning	2.0	2.0
3.	Placing of City Plans before MPC/DPC	2.0	2.0
Total Score		5.0	5.0

3. IN RENT CONTROL

Sl.No.	Milestone	Score	Score assigned
1.	Availability of Rent Control Act	2.0	2.0
2.	Provision for Fixation of Standard Rent	2.0	2.0

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3.	Provision for Revising Rent periodically	2.0	2.0
4.	Balancing Obligations of Landlords and Tenants	2.0	2.0
5.	Establish Adjudication System for Resolving Disputes	2.0	2.0
Total Score		10.0	10.0

4. STAMP DUTY RATIONALIZATION TO 5%

Sl.No.	Milestone	Score	Score assigned
1.	Reduce Stamp Duty to 5% (including surcharges) *	5.0	5.0
2.	Preparation of Guidance Values/Circle Rates	2.5	2.5
3.	Annual Revision of Guidance Value	2.5	2.5
Total Score		10.0	10.0

* Rate of 6% would be acceptable if 4% is provided for cases where property is registered solely in the name of women.

5. REPEAL OF ULCRA

Sl.No.	Milestone	Score	Score assigned
1.	State Legislature to pass a Resolution in compliance with the Repeal of ULCRA Act passed by Parliament in 1999	7.0	7.0
2.	State Government to issue Notification in this regard	3.0	3.0
Total Score		10.0	10.0

6. ENACTMENT OF COMMUNITY PARTICIPATION LAW

Sl.No.	Milestone	Score	Score assigned
1.	Notification of Legislation for ensuring Community Participation	2.5	2.5
2.	Constitution of Ward Committees	2.5	2.5
3.	Citizen Charter with Timelines	2.5	2.5
4.	Any Additional Provision/Instrument for Community Participation	2.5	0.0
Total Score		10.0	7.5

* Punjab Right to Services Act, 2011 has been notified on 19th October 2011

7. ENACTMENT OF PUBLIC DISCLOSURE LAW

Sl.No.	Milestone	Score	Score assigned
1.	Legislation of RTI Act	2.5	2.5
2.	Implementation of RTI Act	2.5	2.5
3.	Preparation of Citizen Charter	2.5	2.5
4.	Disclosure through a Website	2.5	2.5
Total Score		10.0	10.0

OPTIONAL REFORMS

1. INTRODUCTION OF PROPERTY TITLE CERTIFICATION SYSTEM IN ULBs

Sl.No.	Milestone	Score	Score assigned
1.	Arrangement of Reflecting Property Titles in a Legal Framework	2.5	0.0
2.	Arrangement of Adjudication for Property Title Disputes	2.5	0.0
3.	Notification of Rules for smooth implementation	2.5	0.0
4.	Setting up Administrative System/Process	2.5	0.0
Total Score		10.0	0.0

2. EARMARKING 20-25% DEVELOPED LAND IN ALL HOUSING PROJECTS FOR EWS/LIG*

Sl.No.	Milestone	Score	Score assigned
1.	Notify the Reservation of Land between 20 and 25% in Housing Projects (Public/Private)	5.0	5.0
2.	Review and Revise Building Byelaws to reflect to Earmarked Land to EWS/LIG	2.5	2.5
3.	Engaging with State Departments for implementing EDL (Earmarked Developed Land)	2.5	2.5
Total Score		10.0	10.0

** This item is only for MoHUPA component.*

3. SIMPLIFICATION OF LEGAL AND PROCEDURAL FRAMEWORK FOR CONVERSION OF AGRICULTURAL LAND FOR NON-AGRICULTURAL PURPOSES

Sl.No.	Milestone	Score	Score assigned
1.	Availability of Legal Framework for Conversion of Agricultural Land for Non-Agricultural purposes	5.0	5.0
2.	Notification of Rules and Processes	2.5	2.5
3.	Establish Adjudication System for Resolving Disputes	2.5	2.5
Total Score		10.0	10.0

1.5 Way forward for Implementation of Reforms in Punjab

Number	Reforms-State Level	Recommended Action for Implementation of Reforms
	Mandatory Reforms	
S-1	Implementation of the 74th Constitutional Amendment Act	Punjab District Planning Committees Act, 2005 (Punjab Act No.22 of 2005) has been enacted and notified the same vide notification No. 35-LEG-2005 dated 28.11.2005. District Planning Committee has been constituted in all districts of the State. The notification for the setting up of Metropolitan Planning Committee has been issued vide No. 14/167/2012-51g1/2916 dated 26 July 2012. Urban Planning has been devolved to ULBs as a function under section 50 (B) of Punjab Municipal Act, 1911 and section 275 of the Punjab Municipal Corporation Act, 1976. As all functions have been transferred through appropriate govt. notifications, the ULB needs to create adequate infrastructure in terms of functionaries and recruit / deploy employees for its implementation.
S-2	Integration of City Planning and Delivery of Functions	
S-3	Rent Control Reform	The reform has been successfully implemented in the Punjab state vide notification number (No.18 -Leg/2012, Punjab Act No.13 of 2012) issued on 10 th October 2012.
S-4	Rationalization of Stamp Duty	The basic stamp duty has been reduced from 6% to 5% in 2008-2009 (exclusive of cess). "...Cess has been imposed for funding social security schemes....It will not be possible to fund the Social Security Scheme (SSS), if cess is reduced....the cess will continue to be levied at 3% so that the implementation of SSS is not affected." The state needs to seek alternative sources of funding Social Security Schemes for isolating cess from Stamp Duty.
S-5	Repeal of Urban Land Ceiling and Regulation Act [ULCRA]	ULCRA Act-1976 has been repealed in the State of Punjab before the Launch of JNNURM reforms.
S-6	Enactment of Community Participation Law	The Punjab Municipal Corporation (Amendment) Act, 2013 and the Punjab Municipal Citizen Participation Act, 2013 have been sent to the Punjab Press for publication in the Legislative supplement (Extraordinary), dated 16th April 2013. The state needs to ensure that ward committees and area sabhas for each ward in the ULBs are constituted and made functional as soon as possible.
S-7	Public Disclosure Law	The rules for compulsory Disclosures by the Municipalities have been issued vide notification No. GSR.35/C.A.22/2005/Ss.4 dated 18.07.2012. The ULBs need to initiate the public disclosure of documents through various mediums like website, print, electronic media etc.

	Optional Reforms	
01	Introduction of Property Title Certification System	Implementation of Property Title Certification System has a long way to go largely due to lack of effective property record management system.
0-4	Earmarking of 20-25 percent of developed land in all housing projects for EWS/LIG category with a system of cross subsidization	25% of the developed land in housing projects for EWS/LIG has been earmarked and all the ULBs have been asked to implement from 2008-09 onwards. (vide notification No.CTP(LG)-2008-175-185 dated 20 th January 2008). ULB needs to appraise how much this has contributed to reduction housing shortage among EWS/LIG households by increasing supply of land for housing.
0-5	Simplification of legal and procedural framework for conversion of agricultural land to non-agricultural purpose	An amendment in the municipal building bye laws has been done. A time limit of 30 days has been fixed for granting change of land use. The reform has been implemented as per the target.

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	Reform milestones (as per the MoA checklist)	Target year As per MoA	Status	Cumulative progress till September 2013
	Mandatory Reforms			
S1	Implementation of The 74th Constitutional Amendment Act		Completed	
A	Municipal elections		Completed	Elections were completed in the year of 2007. Section 7 of the Punjab Municipal Corporation Act, 1976 provisions for elections to be held every 5 years.
B	Constitution of DPCs	2007-08	Completed	State Government has enacted the Punjab District Planning Committees Act, 2005 (Punjab Act No. 22 of 2005) and notified the same vide notification No. 35-LEG-2005 dated 28.11.2005. District Planning Committee has been constituted in all districts of the State. The notification has already been sent vide DO letter No. 8786 dated 5th July 2012 by Principal Secretary Local Government to Secretary, Urban Development, Government of India.
C	Constitution of MPCs	2007-08	Completed	Notification for setting up of Metropolitan Committees has been issued vide No.14/167/2012-51g1/2916 dated 26 July 2012.
D	Constitution of SFCs: Acceptance and implementation of its recommendations		Completed	Fourth Punjab State Finance Commission has been constituted vide notification No. 1/4 th -PFC-DFREI-FD-2008/1365 dated 5 th November 2008.
E	Resolution by Government for convergence of urban management functions with ULBs		Completed	A provision has recently been introduced for Development Authorities and Parastatal Bodies to function as the technical arms of the ULBs.
F	Transfer of functions as listed in the 12 th schedule of the 74 th CAA		Completed	18 functions have been incorporated under Section 50 (B) of Punjab Municipal Act, 1911.
1	Urban planning	2007-08	Completed	Urban planning is being done by the Concerned ULBs in consultation with the Punjab Urban Development Authority (PUDA). This function is included in Sections 275 -Formulation of the Building Schemes including Town Planning Schemes. Section 45 (y) improvement of city in accordance with improvement schemes approved

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2	Regulation of land-use and construction of buildings	2007-08	Completed	Power has already been vested in ULBs of Punjab for sanction of the Building Plan and regulation of the land use. This function is included in Section 50 (B) of Punjab Municipal Act, 1911 and chapter XIV of the Punjab Municipal Corporation Act, 1976.
3	Socio-economic planning	2007-08	Completed	At present this function is being carried out by the Department of Social Welfare and Department of Planning. However, ULBs are involved for preparation of Social and Economic Plan of the city. This function is included in section 45 (e), (f), (g) and section 44 (u) of Punjab Municipal Corporation Act, 1976 and Section 50 (B) of the Punjab Municipal Act, 1911.
4	Roads and bridges	2007-08	Completed	This function is performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44 (l) of Punjab Municipal Corporation Act 1976.
5	Water supply	2007-08	Completed	This function is performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44(b) of Punjab Municipal Corporation Act 1976.
6	Public health, sanitation and SWM	2007-08	Completed	This functions has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44(a) of Punjab Municipal Corporation Act 1976.
7	Fire services	2007-08	Completed	This function has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44(r) of Punjab Municipal Corporation Act 1976.
8	Urban forestry	2007-08	Completed	The Department of Forest, State Pollution Control Board and State Council for Science, Technology and Environment etc., are involved in to carry out this function. This is a discretionary function of ULBs as per Section 45 (d) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911.
9	Safeguarding the interests of weaker sections	2007-08	Completed	This function has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 45(1-ii,iv,v,vi,vii), 45 (q) and 45 (u) of Punjab Municipal Corporation Act 1976. It is being carried out by the Department of Social Welfare. However, verification of the beneficiary is being done by the respective municipality.
10	Slum improvement/upgradation	2007-08	Completed	This function has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44(d) and Section 45 of Punjab Municipal Corporation Act 1976.
11	Urban poverty alleviation	2007-08	Completed	This function has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 45(1-ii) of Punjab Municipal Corporation Act 1976.

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12	Provision of urban amenities such as parks, playgrounds	2007-08	Completed	This function has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 45(d), 44(q) and Section 45 of Punjab Municipal Corporation Act 1976.
13	Promotion of cultural, educational, and aesthetic aspects	2007-08	Completed	This function has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 45(a), 45(b), 45(c) and 45(j) of Punjab Municipal Corporation Act 1976. All elementary schools are control under the ULBs and all grants for cultural institutions of the concerned municipal area will be provided by the concerned ULBs .
14	Burial grounds and crematoria	2007-08	Completed	This function has been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44(e) of Punjab Municipal Corporation Act 1976.
15	Cattle pounds	2007-08	Completed	These functions have been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 45(m) and 45 (r) of Punjab Municipal Corporation Act 1976.
16	Registration of births and deaths	2007-08	Completed	These functions have been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44 (f) of Punjab Municipal Corporation Act 1976.
17	Public conveniences including street lighting, parking lots etc	2007-08	Completed	These functions have been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44 (l), (m), (n), (o) and (q) and 45 (s) of Punjab Municipal Corporation Act 1976.
18	Regulation of slaughter houses	2007-08	Completed	These functions have been performed by Municipal Councils under Section 50-B of the Punjab Municipal Act 1911 and Municipal Corporation under Section 44 (i) of Punjab Municipal Corporation Act 1976.

2.2. Appraisal of State Level Reforms - Mandatory

2.2.1. Detailed reform assessment - S1: Implementation of 74th CAA

S1 Implementation of 74th Constitutional Amendment Act

2.1.1 Issues in implementation of the reform

Transfer of - The State Government has incorporated the functions as per 12th Schedule of 74th CAA in the Punjab Municipal Corporation Act, 1976. Chapter III of the Act lists out the obligatory functions (Section 44) and discretionary functions (Section 45). Functions like socio-economic planning, urban forestry, safeguarding the interest of the weaker sections of society are all discretionary functions of the ULBs. Hence, Development Authorities, Town Planning Departments and Parastatals Bodies continue to work as the technical arm of ULBs. Institutional mechanisms and linkages need to be strengthened so that accountability of such agencies is vested with the ULBs. This will help achieve the intent of the 74th CAA that envisages overall management of cities by the Municipal bodies.

Though the DPC Act has been notified in 2005, its creation in each district for holistic planning for contiguous urban and/or geographic areas within each district, has not had the desired impact. The membership of DPC is heavily skewed towards the Panchayats who are under the administrative control of the Panchayati Raj Department in comparison to fewer members from the ULBs that are under the Urban Administration and Development. Ideally, members to be elected from the rural and urban areas should be in the same proportion as the rural-urban population blend in the district.

2.1.2 Action required by Government - Nil

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

No external support is required.

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers

2.1.5 Impact of completed reform

Since this reform has just been completed, it is too early to assess impacts.

S2 Integration of City Planning and Delivery of Functions

S2	Integration of City Planning & Delivery of Functions		Completed	Cumulative progress till September 2013
A	Resolution by Government to assign ULBs with the city planning function		Completed	A provision has recently been introduced for Development Authorities and Parastatal Bodies to function as the technical arms of the ULBs.
B	Timeline for placing city plans before the MPCs/DPCs	2007-08	Completed	City Planning is being done by the concerned ULBs however Punjab Urban Development Authority has been involved in this process.
C	Steps taken to integrate ULBs with the city planning function		Completed	
1	Land-use and spatial planning		Completed	All the building plans and town planning scheme and change of land use has been sanctioned by the concerned ULBs in their areas.
2	Development of new areas	2007-08	Completed	
3	Infrastructure such as water supply, sewerage and sanitation		Completed	The function of the Water Supply, sewerage and sanitation are performed by the ULBs.
4	Traffic and transport services	2007-08	Completed	City Bus Service, Comprehensive Mobility Plan and all the Transportation Measures has been implemented by the ULBs
5	Renewal of inner city areas	2007-08	Completed	This function is performed by the ULBs
6	Heritage conservation	2007-08	Completed	This function is performed by the ULBs
7	Building regulation		Completed	This function is performed by the ULBs
8	Socio-Economic planning		Completed	This function is performed by the ULBs
9	Any other areas			
D	Steps taken to integrate ULBs with the delivery of services		Completed	
1	Urban planning	2007-08	Completed	Refer to the section 50 (B) of Punjab Municipal Act, 1911 and section 275 of the Punjab Municipal Corporation Act, 1976

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2	Regulation of land-use and construction of buildings	2007-08	Completed	Refer to the section 50 (B) of Punjab Municipal Act, 1911 and chapter XIV of the Punjab Municipal Corporation Act, 1976.
3	Socio-economic planning	2007-08	Completed	Please refer to section 45 (e), (f), (g) and section 44 (u) of Punjab Municipal Corporation Act, 1976 and Section 50 (B) of the Punjab Municipal Act, 1911.
4	Roads and bridges	2007-08	Completed	Kindly refer to section 44 (L) of the Punjab Municipal Corporation Act, 1976 and 50 (B) of the Punjab Municipal Act, 1911
5	Water supply	2007-08		Refer to Section 44 (b) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
6	Public health, sanitation and SWM	2007-08		Refer to Section 44 (a), (c), (d) and 45 (za) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
7	Fire services	2007-08		Refer to Section 44 (r) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
8	Urban forestry	2007-08		Refer to Section 44 (d) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
9	Safeguarding the interests of weaker sections	2007-08		Refer to Section 44 (L-ii, iv, v, vi, vii) and (45-q and u) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
10	Slum improvement/upgradation	2007-08		Refer to Section 44 (d) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
11	Urban poverty alleviation	2007-08		Refer to Section 45 (L-ii) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
12	Provision of urban amenities such as parks, playgrounds	2007-08		Refer to Section 45 (d) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
13	Promotion of cultural, educational, and aesthetic aspects	2007-08		Refer to Section 45 (a) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911

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14	Burial grounds and crematoria	2007-08		Refer to Section 45 (e) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
15	Cattle pounds	2007-08		Refer to Section 45 (m), (r) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
16	Registration of births and deaths	2007-08		Refer to Section 44 (f) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
17	Public conveniences including street lighting, parking lots etc	2007-08		Refer to Section 44 (L), (m) (n) (o) (q) and 44 (s) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911
18	Regulation of slaughter houses	2007-08		Refer to Section 44 (i) of Punjab Municipal Corporation Act, 1976 and 50 (B) of Punjab Municipal Act, 1911

S2 Integration of City Planning and Delivery of Functions

2.1.1 Issues in implementation of the reforms

City planning is being done by the ULBs however the Punjab Urban Development Authority has been involved in this process.

2.1.2 Action required by Government.

Regarding integration of city planning functions, the State Government is still required to integrate these functions with individual ULBs together with appropriate funds and functionaries. At present, several governmental agencies as well as governmental departments are involved in carrying out these functions.

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

No external support is required.

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers

- Recently provisions have been made for Development Authorities and Parastatal Bodies to work as the technical arms of the ULBs.

- ULB level mayors and commissioners have become the members of the Development Authority and Parastatal Body which has the responsibility for granting citywide approvals e.g. for large-scale layouts and building constructions; development of new areas; integrating city plans with regional and state plans etc.

2.1.5 Impact of completed reform

This reform is likely to ensure better service delivery to its citizens.

S3 Rent Control Reform

S3	Rent Control Reforms		Completed	Cumulative progress till September 2013
A	Resolution by Government to establish new Rent Control system	(within six months)	Completed	The Bill was passed unanimously by Punjab Vidhan Sabha in April 1995 and got the President of India's assent in March 1998. Council of Ministers in its meeting held on 2 nd October 2012 has given approval. The notification has been issued on 10 th October 2012 (No.18 -Leg/2012, Punjab Act No.13 of 2012).(<i>Refer Annex 1 of the December 2012 report</i>).
B	Defining Rights and Obligations of landlords and tenants	2006-07	Completed	do
C	Establishing a new Rent Control legislation		Completed	do
1	Setting up a Committee/Team to draft/amend legislation		Completed	do
2	Stakeholder consultations		Completed	do
3	Preparation of Draft legislation		Completed	do
4	Approval of the Government		Completed	do
5	Enactment of the legislation		Completed	do
6	Notification	2006-07	Completed	do
7	Preparation and notification of appropriate subordinate legislation	2006-07	Completed	do
8	Implementation by municipality	2007-08	Completed	do
D	Periodicity of revision of guidance values		Completed	do
E	Setting up a mechanism for periodic review of rents/ rental value guidance	2006-07		do
F	Instituting Dispute resolution mechanisms	2005-06		do

S3 Rent Control Reform Punjab Rent Control Act 1995 has been notified.

2.1.1 Issues in implementation of the reform - Nil

2.1.2 Action required by Government - Nil.

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details. - Nil.

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers.

- The Bill was passed unanimously by Punjab Vidhan Sabha in April 1995 and got the President of India's assent in March 1998.
- The Cabinet Sub-Committee was constituted to review the Act.
- Council of Ministers in its meeting held on 2nd October 2012 has given approval. The notification has been issued on 10th October 2012 (No.18 –Leg/2012, Punjab Act No.13 of 2012).

2.1.5 Impact of completed reform - The reform has recently been completed.

S4 Rationalization of Stamp Duty

S4	Rationalization of Stamp Duty		Completed	Cumulative progress till September 2013
A	Resolution by Government expressing commitment to reduce Stamp Duty to 5%	(Within six months). 2006-07	Completed	The State has already reduced basic rate on stamp duty by 1% i.e. 6% to 5% vide notification No. 13-LEG/2007 dated 27 th September 2007. The notification has already been sent vide DO letter No. 8786 dated 5th July 2012 by Principal Secretary Local Government to Secretary, Urban Development, and Government of India. (Refer Annex 2 of the December 2012 report).
B	Periodicity for revision of guidance values for stamp duty	2007-08		
C	Time-table for reducing the stamp duty rate to 5%	2010-11		

2.1.1 Issues in implementation of the reform

The basic stamp duty has been reduced from 6% to 5% in 2008-2009 (exclusive of cess). As per D.O. letter No.2/4/07-3LG4/2902, dated 14-8-07 of the Dept. of Local Govt., Punjab “...Cess has been imposed for funding social security schemes....It will not be possible to fund the Social Security Scheme (SSS), if cess is reduced....the cess will continue to be levied at 3% so that the implementation of SSS is not affected.”

2.1.2 Action required by Government

The State needs to explore alternative sources of funding for the SSS, in order to remove cess from Stamp Duty.

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

No

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers.

No.

2.1.5 Impact of completed reform

It is expected that a reduction in the rate of stamp duty would lead to an increase in revenues both for the states as well as the ULBs and would also help to develop a healthy real estate market.

S5 Repeal of the Urban Land Ceiling and Regulation Act (ULCRA)

S5	Repeal of The Urban Land Ceiling & Regulation Act (ULCRA)		Completed	Cumulative progress till September 2013
A	Resolution for the repeal of ULCRA within 6 months of signing of MoA	(within six months), 2006-07	Completed	ULCRA Act-1976 has been repealed in the State of Punjab on 22.03.1999 Vide Act No. 15 of 1999. The notification has already been sent vide DO letter No. 8786 dated 5th July 2012 by Principal Secretary Local Government to Secretary, Urban Development, and Government of India.
B	Notification by the State Government			

S5 Repeal of the Urban Land Ceiling and Regulation Act (ULCRA)

2.1.1 Issues in implementation of the reform

No issue. ULCRA, 1976 has been repealed in the State of Punjab on 22.03.1999 Vide Act No. 15 of 1999.

2.1.2 Action required by Government

No

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

No

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers.

No

2.1.5 Impact of completed reform

- The supply of new land is expected to have a moderating effect on property prices. Increased supply of land and investment in housing will have multiple effects in generating direct and indirect income and employment generation besides improving productivity levels and the overall social well-being.
- Large tracts of land that earlier would have required urban land ceiling clearance from the government could now be taken up for construction and development of integrated township and construction of houses for EWS/LIG

S6 Community Participation Law

S6	Community Participation Law (CPL)		completed	Cumulative progress till September 2013
A	Resolution by Government to establish a new CPL		completed	The Punjab Municipal Corporation (Amendment) Act, 2013 and the Punjab Municipal Citizen Participation Act, 2013 have been sent to the Punjab Press for publication in the Legislative supplement (Extraordinary), dated 16th April 2013. (Refer Annex 1).
B	Changes proposed in the JNNURM cities with respect to the following:			
1	Number of tiers to be established			There is a provision of constitution of Ward Committee as per Section 42 of the Punjab Municipal Corporation Act, 1976. In order to provide for Area Sabhas, the act has been amended. The Punjab Municipal Corporation (Amendment) Act, 2013 and the Punjab Municipal Citizen Participation Act, 2013 have been sent to the Punjab Press for publication in the Legislative supplement (Extraordinary), dated 16th April 2013.
2	Intended composition for each tier (Municipality, Intermediary, Wards Committee, Area Sabha)			
C	Proposed Activity-mapping of functions in Community Participation Law	2007-08		As per "A" and "B" above.
1	Urban planning			
2	Regulation of land-use and construction of buildings			
3	Socio-economic planning			
4	Roads and bridges			
5	Water supply			
6	Public health, sanitation and SWM			
7	Fire services			
8	Urban forestry			
9	Safeguarding the interests of weaker sections			

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10	Slum improvement/upgradation		
11	Urban poverty alleviation		
12	Provision of urban amenities such as parks, playgrounds		
13	Promotion of cultural, educational, and aesthetic aspects		
14	Burial grounds and crematoria		
15	Cattle pounds		
16	Registration of births and deaths		
17	Public conveniences including street lighting, parking lots etc		
18	Regulation of slaughter houses		
D	Enactment of CPL or Amendment of existing municipal laws	2007-08	
E	Notification of the rules	2007-08	
F	Interim process for Community Participation while the Law is still being enacted (if any)		

S6 Community Participation Law

2.1.1 Issues in implementation of the reform

There is a provision of constitution of Ward Committee as per Section 42 of the Punjab Municipal Corporation Act, 1976. In order to provide for Area Sabhas, the act has been amended. The Punjab Municipal Corporation (Amendment) Act, 2013 and the Punjab Municipal Citizen Participation Act, 2013 have been sent to the Punjab Press for publication in the Legislative supplement (Extraordinary), dated 16th April 2013.

2.1.2 Action required by Government

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

Three tiers have been proposed namely Municipality, Ward Committee, and Area Sabha. Although, these tiers have been proposed, they are yet to attain their implementation status.

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers

The existing enabling provisions being only directional, no tangible exercise has been made in any ULB to hand over the work of planning, management and resource generation to the social groups commonly known as “ Welfare Societies” of Mohallas in a ward. Draft CPL has the provisions as per the draft *Model Nagara Raj Bill of GOI*.

2.1.5 Impact of completed reform - The reform is in the process of implementation.

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S7 Public Disclosure Law

S7	Public Disclosure Law (PDL)		Completed	Cumulative progress till September 2013
A	Resolution to formulate and adopt a policy on public disclosure	(Within 6 months), 2006-07	Completed	The rules for compulsory Disclosures by the Municipalities have been issued vide notification No. GSR.35/C.A.22/2005/Ss.4 dated 18.07.2012.
B	Establishment of the PDL		Completed	
1	Disclosure of Financial statements	2007-08		Copy of the Punjab Right to Information (Disclosure of Information by public authorities providing services in Municipalities) Rules, 2012 is enclosed. (<i>Refer Annex 3 of December 2012 report</i>).
2	Conduct of Annual Statutory Audit	2007-08		
3	Disclosure of Audited Financial Statements and Audit Report	2007-08		
4	Period after end of financial year for publication of annual audited financial statements			
5	Disclosure of Quarterly Audited Financial Statements	2007-08		
6	Period after end of each quarter for publication of Quarterly Audited Financial Statements	2007-08		
7	Publication of CDP on municipal website		Completed	The CDPs of Municipal Corporations of Ludhiana and Amritsar have been placed on their respective websites.
8	Placement of JNNURM MoAs before the Municipal councils		Completed	Completed in case of Ludhiana and Amritsar. Available on respective Municipal Corporations' websites.

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9	Disclosure of MoA			
C	Information proposed to be disclosed on a regular and mandatory basis by ULBs	2007-08	Not complete	
1	Key municipal / parastatal agency officials and contacts			
2	Procedures for approvals / permits			
3	Schemes managed by the ULB			
4	Procedures to access various services			
5	Liability, basis and quantum for tax / user charges / fees			
6	Service levels			
7	Redressed of complaints			
8	Ongoing major projects			
9	Any other			
D	Service level information proposed to be disclosed by ULBs	2007-08		
1	Water supply (slum and non slum)			
2	Sewerage / sanitation / drainage			
3	Solid Waste Management			
4	Storm water drainage			
5	Building Plan approvals			
6	Road networks			
7	Street Lighting			
8	Birth & Death Registration			

9	Public parks and playgrounds		
E	Commencement of regular disclosure of service levels	2007-08	
F	Enactment of PDL	2007-08	
G	Notification of the rules	2007-08	

S7 Public Disclosure Law

2.1.1 Issues in implementation of the reform

No Issue

2.1.2 Action required by Government

No

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details. - No

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers

- The rules for compulsory Disclosures by the Municipalities have been issued vide notification No. GSR.35/C.A.22/2005/Ss4 dated 28/2012.
- The CDPs of Municipal Corporations of Ludhiana and Amritsar have been placed on their respective websites.

2.1.5 Impact of completed reform

No impact as the reform is in progress.

Optional Reforms

01 Introduction of Property Title Certification System

O1	Introduction of Property Title Certification System		Not Completed	Cumulative progress till September 2013
A	Listing of all properties in the city		Yet to be initiated.	It involves a new law for urban properties and new system for record keeping. It would be appropriate to empower ULBs before introducing any system. This reform in ULBs has no precedent to follow or guide the cities in the way forward for implementation.
B	Finalization of new registration system, state guarantee and legislative amendments	2007-08		
C	Amendment of legislation and notification	2007-08		
D	Detailed design of system	2007-08		
E	Inventory of all recorded properties	2007-08		
F	Updating all records and preparing a 'Register of Titles'	2007-08		
G	Computerization of all the property records	2007-08		
H	Issue of Property Title Certificate accompanied by cancellation of previous certificates	2007-08		
I	System for regular upgradation of records	2007-08		
J	Online provision of receipts, dissemination and request for certificates	2009-10		
K	Timeline for 100% registration	2007-08		

01 Introduction of Property Title Certification System

2.1.1 Issues in implementation of the reform

As per the GOP, it would be difficult to introduce this reform because it might create the complexity of issues related to existing property records. Implementation of Property Title Certification System has a long way to go largely due to lack of effective property record management system.

2.1.2 Action required by Government

An appropriate action by the GOP is required for its implementation.

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

The ULB requires Handholding support to implement this reform.

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers

The progress is very slow.

2.1.5 Impact of completed reform

The reform is yet to be initiated.

04 Earmarking 20-25% of Developed Land in all Housing Projects for EWS/LIG

04	Earmarking 20-25% Of Developed Land in All Housing Projects For EWS/LIG		Completed	Cumulative progress till September 2013
A	Decision on the extent of reservation	2009-10	Completed	25% of the developed land in housing projects for EWS/LIG has been earmarked and all the ULBs have been asked to implement from 2008-09 onwards. (vide notification No.CTP(LG)-2008-175-185 dated 20 th January 2008). The notification has already been sent vide DO letter No. 8786 dated 5th July 2012 by Principal Secretary Local Government to Secretary, Urban Development, Government of India.
B	Amendment of the existing legislation and notification	2009-10	Completed	Amended and orders have been issued to ULBs.
C	Timeline to improve the percentage of reservation	2009-10	Completed	The provisions of 10% of reservation to EWS/LIG in apartments/ dwelling units have been incorporated in the bye-laws of Group Housing Societies.

Earmarking 20-25% of Developed Land in all Housing Projects for EWS/LIG

2.1.1 Issues in implementation of the reform

No issue.

2.1.2 Action required by Government

No

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

No

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers

25% of developed land in all housing projects for EWS/LIG has been earmarked and all ULBs have been asked to implement the same in all projects from 2008-09 onwards. The State Government has amended the laws and order has been issued to ULBs. The provision of 10% of reservation to EWS/LIG in apartments/dwelling units has been incorporated in the byelaws of Group Housing Societies.

2.1.5 Impact of completed reform

It would reduce housing shortage among EWS/LIG households by increasing supply of land for housing. In long term, availability of affordable Land/housing will discourage squatting by poor on public land and create slum free cities.

05 Simplification of Frameworks for Conversion of Agricultural Land to Non-Agricultural

05	Simplification Of Frameworks For Conversion Of Agricultural Land to Non-Agricultural		Completed	Cumulative progress till September 2013
A	Finalize on modifications in the existing procedure	2007-08	Completed	An amendment in the municipal building bye laws has been done vide memo No. CTP-LG-2010-480 dated 23 April, 2010 (Chapter 2). A time limit of 30days has been fixed for granting change of land use.
B	Amendment of the existing legislation and notification	2007-08		
C	Dissemination of the new process through a website	2007-08		
D	Workshops to address to the queries of general public	2007-08		
E	Setting up an MIS system	2007-08		
F	Citizen enquiry system including status of application			
G	Start of conversions as per the new legislation	2007-08		
H	Reduction of time taken for conversion per year		completed	

05 Simplification of Frameworks for Conversion of Agricultural Land to Non-Agricultural

2.1.1 Issues in implementation of the reform

No issues. The reform has been implemented as per the target.

2.1.2 Action required by Government

No

2.1.3 Is any handholding support provided for implementing the reform? If so specify the type of support and impact. In case any other support is required specify the details.

No

2.1.4 Analysis of initiatives taken by the state (assessment of G.O., resolution, policy etc.) to ensure the steps taken are in line with the MoA and the Reform Primers.

State Government has streamlined and fixed time limit of 30 days for grant of Change of Land use.

2.1.5 Impact of completed reform

It would make the availability of increased land stock for urban development.