

**Pune: City Development Plan (CDP)  
An Appraisal Report**

1. The City Development Plan (CDP) of Pune is a comprehensive document that looks at the existing situation, identifies the problems, fixes a vision (visions), identifies the strategies and actions, and provides details of the financial requirements. The preparation of this CDP has had the advantage of building on a closely-related exercise of a City Development Strategy (CDS) on which the PMC had been working for some time, and which was based on active participation of stakeholders.
2. According to the City Development Plan (CDP), Pune is a fast growing city. During 1991-2001, its population increased by 50.08%, compared to a growth of 40% in the previous decade. Its population is 'young', and the CDP sees this as a positive aspect of Pune's development. It has a high literacy rate – 77% in the last Census. Given the fact that there are large parcels of open lands (p. 27), population growth of this scale is unlikely to become a constraint in housing them. Pune, which earlier grew in the shadow of Mumbai, now has a strong and diversified economic structure, which centres around auto industry, agro-based industry, education (scalled the Oxford of the East), and emerging and growing IT sector. Further economic growth of Pune requires substantial augmentation and improvement of urban infrastructure, uninterrupted power supply, and social infrastructure.
3. According to the CDP, service levels are, in the aggregate satisfactory, and the problems of services like water supply lie not so much in per capita supplies as in leakages, inequitable distribution, obsolete distribution system and high energy cost in water production and distribution. In the case of sewerage system, of course, coverage is 54%; an additional problem identified is the release of untreated waste into rivers. The CDP, taking note of the Ministry's Urban Transport Policy, indicates that public transport system in Pune is characterized by poor service standards; moreover, the bus fleet of PMC is aged. There is no functional hierarchy of road network, as a result of which local and regional traffic gets mixed-up.
4. The Pune Municipal Corporation (PMC) has octroi as a major revenue source and is able to maintain a surplus on revenue account. Because PMC has octroi it has not fully exploited property taxes which have a large untapped value. The PMC is able to meet much of the capital expenditure out of local revenue generation.
5. Income poverty in Pune is low, but slums account for 40% of Pune's population. The main problem in slums is related to security of tenure, quality of housing, and access to infrastructure.
6. The vision for Pune is multi-faceted. According to the CDP, the stakeholders who were involved in defined the CDP, considered such vision alternatives as -

- a. economically vibrant city with diverse opportunities;
- b. safe and livable environment
- c. good connectivity and mobility
- d. rich culture
- e. efficient city
- f. well-governed city
- g. affordable city
- h. access to services for the urban poor

The CDP has given corresponding strategies for each of the vision/goal. They appear to be in sync with each other, except that there are no clear strategies for visions such as affordable city, or well governed city. The city administration can be asked to work on these aspects.

7. The CDP gives a list of projects matching with strategies. Projects aim at, as the CDP contends, **ensuring optimal and efficient utilization of existing infrastructural system**. Projects in the transport and traffic sector account for 32% of the total proposed investment followed by drainage (13%), urban poor/slum-related (11.6%), and sewerage (10%). The CDP gives a financing operating plan which is a multi-year forecast of the PMC finances. The financing operating plan has taken into account the debt and non-debt liabilities of the PMC. The proposed financing plan envisages 50% funding from the JNNURM and 50% to be locally-generated surpluses and loans. The CDP has given other financing scenarios as well.

8. There is a detailed action plan for spurring economic development, inner-city revitalization, discouraging development in critical, ecologically sensitive areas, slum networking, road widening, dedicating bus lanes, cycle tracks and improvement in public transport system, revenue generation, reliable and adequate water supply, culture and heritage etc.

9. According to the CDP, service systems appear to be working in Pune; service deficits are not significant and even though 40% of population live in slums, poverty is not an issue. It seems to be a **working city**. The CDP itself has been proposed with participation of stakeholders. It has a good data base which can serve as a benchmark for evaluating future projects.

10. contains a reform agenda (p. 105) comments on which are given in the subsequent paragraphs.

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### **Recommendation**

The CDP of Pune lays the foundation for the formulation of DPRs.

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## ***Mandatory Reform Agenda***

### **1. Accounting System**

The accrual-based double entry accounting system is expected to be in place by March 2007.

### **2. E-governance Applications**

E-governance application have been extended to setting up interactive websites for information on property tax, automated building permission, and citizen facilitation.

### **3. Property Tax Reform**

85% collection will be achieved within 2005/06.

The timetable for identifying the unassessed properties and putting them (alongwith the assessed properties) in the GIS is not given.

### **4. User Charge**

Cost recovery (charges and taxes) is 100% in water supply. Time table for 100% cost recovery in conservancy services is not given.

### **5. Internal Earmarking**

Currently, 28% of municipal expenditure is on poor settlements. Steps for **earmarking** are not defined.

### **6. Provision of Basic Services**

According to the document, basic services are already provided to the urban poor, both in the declared/undeclared slums. However, the PMC has not given any strategy for giving titles nor does it provide details on housing provision.

### **7. Revision of Bye-Laws**

The PMC has proposed to revise the bye-laws by 2006/07. What those revisions are, and in what way would the revisions result in streamlining the building licensing procedures are not outlined in the document.

**8. Earmarking of 20/25% of Developed Lands**

The PMC has stated that earmarking will be taken up in phases; however, no strategy has been defined for this purpose. Nor does it give any time table for reaching this target.

**9. Structural Reform**

There is no explanation of what structural reforms does the PMC wish to undertaken and when.