

Appraisal of City Development Plan Hyderabad

March 2006



National Institute of Urban Affairs

Core 4B, India Habitat Centre
Lodhi Road, New Delhi 110003

In case of any query, please contact Ms. Usha Raghupathi (email: uraghupathi@niua.org)

Appraisal of City Development Plan: Hyderabad

The City Development Plan for Hyderabad gives a fairly comprehensive picture of the city, as it is today and where it wishes to go. Hyderabad wishes to become a 'Global City and a 'City without Slums'.

Stakeholder Consultations

The CDP for Hyderabad gives the process of CDP preparation. It indicates that the consultations were broad-based and included representatives from different sectors, different interest groups and different sections of the society. However:

- The CDP Process indicated in Figure 1.1 (p. 7) shows that the draft CDP was prepared first (by the different agencies involved in service provision) and then approval was sought for the CDP through stakeholder consultations.
- While the arrow in Figure 1.1 indicates that if the plan did not get the approval of the stakeholders then it goes back for revision.
- The preparation of CDP (under JNNURM) was expected to follow the opposite process where the CDP was expected to evolve from the consultation process.

However, if the CDP, thus prepared, was discussed with stakeholders and the CDP modified accordingly to include their opinions and ideas, the CDP can be considered as having been prepared through a consultative process.

Analysis of the Existing Situation

Existing situation analysis has been presented very well and contains details of various sectors and services. This section covers not only the physical aspects but also covers the financial aspects of the services for the Municipal Corporation of Hyderabad (MCH) and the surrounding municipalities separately. It also clearly outlines the institutional responsibilities for each service and indicates the key issues and challenges for each aspect covered.

Basic Services to Urban Poor have been dealt with separately and in reasonable detail.

The financial health of MCH is given in the last section on Finance and Investment Plan. As per the figures given, MCH is having a surplus on revenue account for the last five years.

1. The revenue income has grown from Rs. 256.61 cr in 2000-01 to Rs. 389.52 cr in 2004-05.
2. During the corresponding period, the expenditure has grown from Rs. 198.33 cr to Rs. 257.56 cr.
3. The surplus on revenue account has fluctuated between Rs. 58.27 cr. And Rs. 172.34 cr during this period.
4. The capital income during this period varied between Rs. 83.48 cr and Rs. 156.72 cr while the capital expenditure ranged between Rs. 67.44 cr and Rs. 210.79 cr.

Vision and Strategies

The vision statement is clear and the chapter outlines the vision for different services component wise. Hyderabad wants to become a Global City and wants to provide good quality services to all and make the city liveable.

However, a few points need to be clarified and included:

1. The CDP indicates that the old city has suffered a decline and the peripheral areas have begun to play a more dominant role in economic growth. However, the CDP has proposed only a few projects in water supply and sewerage sector for the renewal of inner city area. In order to revitalize the inner city areas, other sectors also need to be looked into.

HMC:

There are several projects proposed for the renewal of inner city area and investments have also been indicated according to the requirement. However it is understood that they were not included earlier in the chapter 7 of vision and strategies. These are now incorporated and the same is enclosed as Annexure.

2. The projects proposed give a time line but do not indicate if the projects are being proposed for MCH, surrounding municipalities, HUA, HUDA or other areas (all of which form a part of HUA).

HMC:

The various projects are grouped and presented with respect to the key agencies responsible for implementation. The location of the projects will be indicated in the detailed project report along with the investments.

3. The project components have also not been given in detail, only the overall project title has been given. For instance, it is not clear from p. 142 which components of Krishna Drinking Water Supply Project Ph-II are being proposed for funding under JNNURM. The project components need to be given in detail along with the cost estimates.

HMC:

The components of the Krishna Water Project Phase II which are proposed under JNNURM include those of source augmentation, additional storage reservoirs to laying of distribution lines. However, these are being indicated in the Detailed Project Report which is submitted along with the CDP Hyderabad. The same will be done for others.

4. No financial operating plan has been given in the CDP. While the Investment Plan tables (p. 142 to 149) indicate the funding requirements and the contribution of GOI, GoAP and the IF/IR, there is no discussion on how the finances of the local government are expected to grow and how much MCH would contribute to the projects. A financial risk mitigation strategy should also be discussed in case the expected sources of revenue fall short of the target.

HMC:

The investment sustenance for JNNURM has been discussed in chapter 8 of the CDP. The 'Base case scenario' and 'with reforms scenario' was discussed. The growth of finances in the MCH and the surrounding ULBs and their contribution towards the projects has been given in the table 8.2.1 in the annexure.

The CDP is now in accordance with the guidelines provided in the JNNURM Toolkit Number 2.

Annexures

Table 8.2.1 (Ref. Annexure) presents projected revenue income and expenditure of MCH and surrounding ULBs with two different scenarios one with out reforms and another one with reforms. With reforms scenarios ULBs net deficit would come down significantly and hence ULBs should do reforms to reduce the overall deficit due to the proposed investment. The revenue deficit thus generated indicates that the ULBs can't contribute required fund from there own sources and hence they have to go for loan to the tune of the deficit amount. ULBs have the capability to repay the new loan, which they have to borrow for this project.

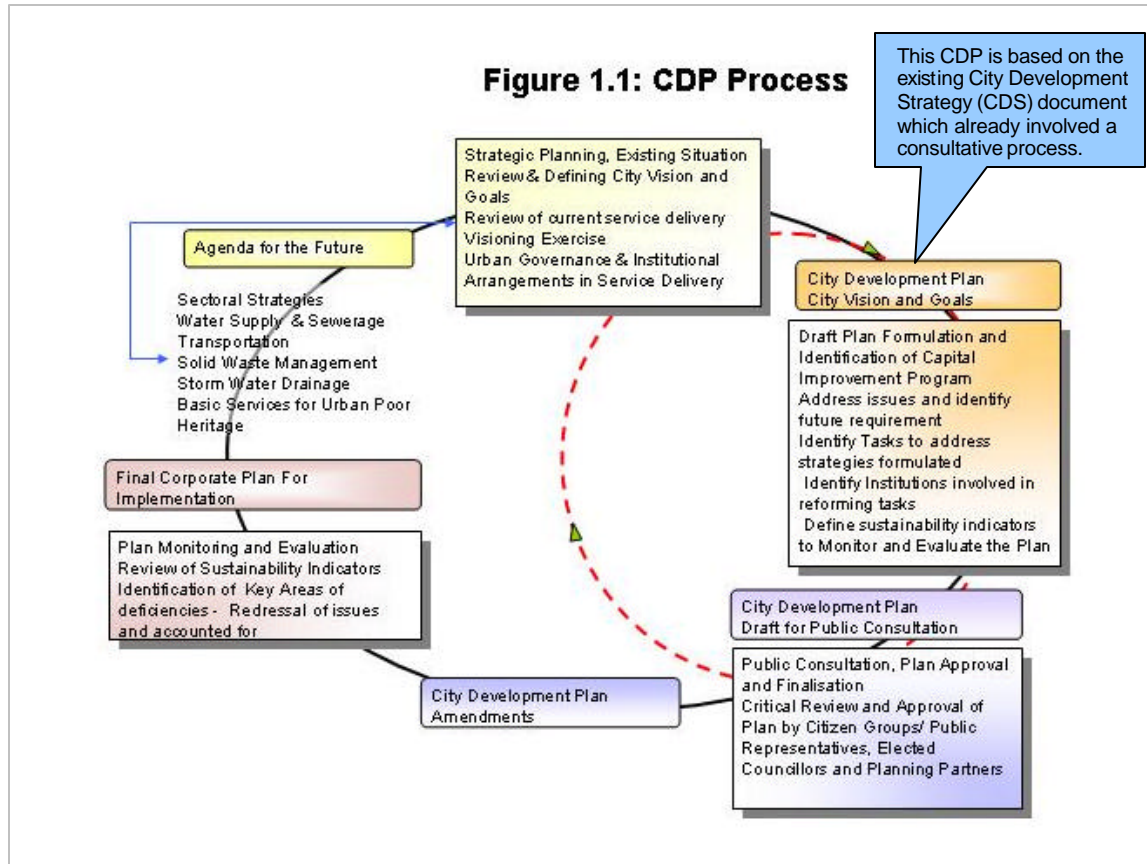
Table 8.2.1: Projected Revenue Surplus for MCH & Surrounding Municipalities (FOP)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	Rs. Crores						
Base Case ("do nothing")							
A - MCH							
Revenue Income	555.74	615.92	672.44	739.88	816.42	906.25	1,013.48
Revenue Expenditure	356.17	383.41	440.95	517.38	608.81	718.38	849.92
A - Surplus/Deficit	199.57	232.51	231.49	222.50	207.61	187.86	163.56
B - Surrounding ULBs							
Revenue Income	246.38	271.00	298.75	330.06	365.42	405.40	450.63
Revenue Expenditure	105.52	128.29	156.14	190.20	231.93	283.07	345.79
B - Surplus/Deficit	140.85	142.70	142.61	139.85	133.50	122.33	104.83
Additional Expenditure (JNNURM)							
Own Contribution (ULBs)	307.40	614.40	1,127.60	1,127.60	1,076.00	819.80	563.60
Additional O&M due to CIP	12.81	38.40	84.54	130.67	174.22	207.52	12.81
*Net Status	33.03	(252.00)	(791.91)	(849.79)	(865.56)	(683.82)	(502.73)
WITH REFORMS scenario							
A - MCH							
Revenue Income	555.74	615.92	688.52	774.06	870.92	983.51	1,116.23
Revenue Expenditure	356.17	383.41	440.95	517.38	608.81	718.38	849.92
A - Surplus/Deficit	199.57	232.51	247.57	256.67	262.11	265.13	266.31
B - Surrounding ULBs							
Revenue Income	246.38	276.09	309.57	347.32	389.89	437.94	492.19
Revenue Expenditure	105.52	128.29	156.14	190.20	231.93	283.07	345.79
B - Surplus/Deficit	140.85	147.80	153.44	157.11	157.97	154.87	146.39
Additional Expenditure (JNNURM)							
Own Contribution (ULBs)	307.40	614.40	1,127.60	1,127.60	1,076.00	819.80	563.60
Additional O&M due to CIP	12.81	38.40	84.54	130.67	174.22	207.52	12.81
*Net Status	33.03	(246.90)	(765.00)	(798.35)	(786.59)	(574.01)	(358.42)

*Figures in parenthesis indicate negative values

Clarification on CDP Process:

This relates to the comment on the CDP process. As indicated in figure 1.1 (p. 7) the draft CDP was prepared by consolidating the existing City Development Strategy (CDS) formulated through extensive stakeholder consultations over a two year period. In addition to this, several consultations were held with the key stakeholders during this consolidation process and the council approval was taken. This consolidated CDP was once again shared with the stakeholders for the approval and finalisation.



7.7 URBAN RENEWAL

The metropolitan area of Hyderabad, being one of the oldest cities, comprises of areas such as old city, which require renewal. **The vision of urban renewal program is to “decongest the core area to enhance the quality of life and economically attractive without disturbing the character”.**

CITY VISION

To “decongest the core area to enhance the quality of life and economically attractive without disturbing the character”.

7.7.1 GOALS AND SERVICE OUTCOMES

The goals to achieve the above vision are enumerated below

Table 7.11: Goals and Service Outcomes

Goal	Time Frame			
	2005	2010	2016	2021
Decongest the core city	20% completed	80%	100%	100%
Pedestrianising the core	20% completed	80%	100%	100%
Conservation	30%	90%	100%	100%
Public Private Partnerships	Modest protocols in place	Total protocols to achieve mobilising 20% of the project cost		

The strategic action plan for urban renewal is enumerated below

The projects/ interventions proposed under urban renewal comprises of the following

- Widening of the narrow streets and links
- Relocation of markets and parking areas
- Rehabilitation of infrastructure such as storm water drainage, traffic infrastructure, etc.
- Pedestrianising the Charminar area
- Renewal of River Musi

The details of the projects proposed under the urban renewal program is presented below

7.7.2 CHARMINAR PEDESTRIANISATION PROJECT

The historic city of Hyderabad, with Charminar at its centre, has been the witness to various phases of growth and change. It has become a traffic island, only visible from the thousand of vehicles plying around it; Adding to this clutter is the confusion of electrical lines, disarray of signs, and encroachment of virtually all kinds. To reinstate this historic core as a commercial hub and as a centre of activity, MCH is undertaking pedestrianisation of the immediate area around the Charminar in line with international best practices. The project involves restructuring the historic precincts with the provision of civic amenities, traffic infrastructure, storm water drainage, introduction of heritage walks, pedestrianisation & beautification of Laad Bazaar, widening of ring roads, restoration of Pathergatti facades and a comprehensive signage system for Charminar precincts and restoration of Char Kamans.

7.7.3 MUSI CONSERVATION PROJECT

River Musi traverses through the city of Hyderabad and is totally polluted due to the absence of a total sewerage system. As a part of this initiative it is proposed to conserve the Musi River System through a series of measures. Some of the measures include construction of interceptor sewers, rehabilitation of river banks, restoration of environmentally degraded areas, construction of check dams to conserve water during flooding and landscaping etc.

Strategic Action Plan-Urban Renewal

Urban Renewal - Strategy to achieve Vision and Goal (2005-2012)									
Component	Activities	Institution	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year
Governance	Policy on Transfer of Development rights	GoAP	v						
	Revision of Building Bye-laws	MCH	v						
	Grievance mechanism		v						
	Strategy for PPP		v						
	Pricing Policy for improvements IEC		v	v	v	v	v	v	v
	Motivation of the Citizens		v	v	v	v	v	v	v
	Traffic calming policies		Police/ GoAP & MCH	v					
	Open Space policy	GoAP/ MCH	v						
Transportation Improvements	Removal of encroachments	MCH	v	v	v	v	v	v	v
	Widening of narrow roads		v	v	v	v	v	v	v
	Relocation of parking areas	MCH/ HUDA	v	v					
	Relocation of Bus shelters and bus stands	MCH/ APSRTC	v	v					
	Pedestrian facilities	MCH		v	v	v			
	Construction of flyovers	MCH/ HUDA		v	v	v			
	Pedestrian safety programs and projects-zebra crossings, dividers, etc.	MCH	v	v	v	v	v	v	v
Infrastructure Improvements	Rehabilitation of storm water drainage	MCH	v	v	v	v	v	v	v
	Street lighting	MCH	v	v	v	v	v	v	v
	Solid Waste Management	MCH	v	v					
	Underground cabling	MCH	v	v					
	Construction of Intercepting Sewers	HMWSSB	v	v	v				
	Construction of check dams	MCH/ HMWSSB	v						
	Open space revitalization	MCH	v	v	v				
	Landscaping & recreation	MCH/ HUDA	v	v	v	v	v	v	v