



## GOVERNMENT OF KERALA

### Abstract

LSGD - Scheme for Special Assistance to States for Capital Investment (SSASCI) 2025-26- Governance Reform under Part XA- Building Municipal Cadres – Formation Cluster of ULBs and designation of an Executive Officer for each cluster - Sanction accorded - Orders issued

---

### LOCAL SELF GOVERNMENT (DC) DEPARTMENT

G.O.(Rt)No.2955/2025/LSGD Dated,Thiruvananthapuram, 14-12-2025

---

Read 1 Letter No, 44(I) PF-S/2025-26 (CAPEX) dated 17.09.2025 of Department of Expenditure (Public Finance-States Division, Government of India

2 Letter No.LSGD/PD/54003/2023-TCPB2 dated 10.12.2025 of Principal Director, LSGD

### ORDER

As per the letter read as 1<sup>st</sup> paper above, The Ministry of Finance, Department of Expenditure, Government of India, has issued revised guidelines for the Scheme for Special Assistance to States for Capital Investment 2025–2026, outlining various reform-linked components. Part X of these guidelines specifically focuses on Urban Planning Reforms, which includes Governance Reforms, Financial Reforms, and Urban Land and Planning Reforms. The special assistance funds are to be utilized for capital investment projects in the State. One of the key components is Governance Reforms, with an allocation of ₹250 crore, where incentives will be released on a pro-rata basis.

2. Building the Municipal Cadres – Filling and Creation of Posts is one of the specific reform requirements under Governance Reforms of SSASCI for the year 2025-2026. As per the guidelines read as 1<sup>st</sup> paper above, States will be incentivized to create cadres of Municipal Administrative Service, Municipal Finance Service and Municipal Technical Service. The state shall be hiring executive officers- managerial level, accountants and engineers like public health, civil, mechanical, electrical, etc., at the ULB level. The States would share the baseline data as on 1<sup>st</sup> April 2025 for these posts. The guidelines stipulated that ULBs with a population less than 1 lakh would be organized into Clusters based on geographical distances

and will be incentivized for hiring Municipal Officials with a maximum of 10 ULBs in a cluster.

3. In Kerala, the 14 ULBs with more than 1 lakh population are: Alappuzha Municipality, Kottayam Municipality, Manjeri Municipality, Palakkad Municipality, Ponnani Municipality, Thalassery Municipality, Thrippunithura Municipality, Vadakara Municipality, Thiruvananthapuram Municipal Corporation, Kochi Municipal Corporation, Kollam Municipal Corporation, Thrissur Municipal Corporation, Kozhikode Municipal Corporation and Kannur Municipal Corporation.

4. As per the letter read as 2<sup>nd</sup> paper above, the Principal Director, LSGD has proposed that ULBs with a population of less than 1 lakh will be organized into geographical clusters (maximum 10 ULBs per cluster). Out of 93 ULB's, 79 ULB's with population below 1 lakh are organized into 8 clusters, as detailed below.

<b>CLUSTER</b>	<b>Urban Local Bodies (ULBs) Included</b>
CLUSTER 1	Neyyattinkara, Nedumangad, Varkala, Attingal, Kottarakkara, Paravoor, Punalur, Karunagappally, Adoor, Pandalam
CLUSTER 2	Thiruvalla, Pathanamthitta, Kayamkulam, Mavelikkara, Chengannur, Harippad, Cherthala, Changanassery, Vaikom, Ettumanoor
CLUSTER 3	Erattupetta, Pala, Kattappana, Thodupuzha, Muvattupuzha, Perumbavoor, Aluva, Koothattukulam, Angamaly, Kothamangalam
CLUSTER 4	N.Paravur, Piravom, Maradu, Thrikkakkara, Eloor, Kalamassery, Irinjalakkuda, Kodungallor, Chalakkudy, Chavakkadu
CLUSTER 5	Guruvayoor, Kunnamangalam, Cherpulassery, Chittoor-Thathamangalam, Shornur, Vadakkancheri, Ottappalam, Mannarkkad, Pattambi, Kondotty
CLUSTER 6	Perinthalmanna, Kottakkal, Malappuram, Valancheri, Tirur, Tirurangadi, Tanur, Parappanagadi, Nilambur, Feroke
CLUSTER 7	Ramanattukara, Payyoli, Koyilandy, Mukkam, Kalpatta, Sulthan Batheri, Mananthavadi, Koduvalli, Koothuparamba, Panoor
CLUSTER 8	Iritty, Anthoor, Sreekandapuram, Thaliparamb, Payyannur, Mattannur, Kanjangadu, Kasargod, Neeleswaram

5. Principal Director, LSGD has also proposed that one of the Secretaries in the Cluster, specifically the Secretary of the ULB with maximum population, may be designated as the Executive Officer of the Cluster. As per the letter read as 1st paper above, the Principal Director, LSGD has

requested to accord sanction for the formation Cluster of ULBs as detailed above and to designate the Secretaries in the Cluster, specifically the Secretary of the ULB with maximum population, as the Executive Officer of the Cluster.

6. Government have examined the matter and are pleased to accord sanction to the Principal Director, LSGD for the formation of above mentioned 8 Clusters of ULBs, as per the guidelines of Scheme for Special Assistance to States for Capital Investment (SSASCI) 2025-26- Part X. Sanction is also accorded to the Principal Director, LSGD for designating the Secretary of the ULB with maximum population in the respective Cluster as the Executive Officer of the Cluster.

(By order of the Governor)  
TINKU BISWAL  
PRINCIPAL SECRETARY

To:

The Principal Director, LSGD  
The Secretaries of ULBs concerned ( through the Principal Director, LSGD)  
The Principal Accountant General (A&E) Kerala Thiruvananthapuram  
The Accountant General (Audit I/ Audit II), Kerala Thiruvananthapuram  
The Information Officer, I&PRD (Web & New Media)  
The Executive Director, Information Kerala Mission.  
Stock File / Office Copy.

Forwarded /By order

Section Officer

Copy to:

Private Secretary to Hon'ble Minister for LSGD  
PA to Principal Secretary, LSGD