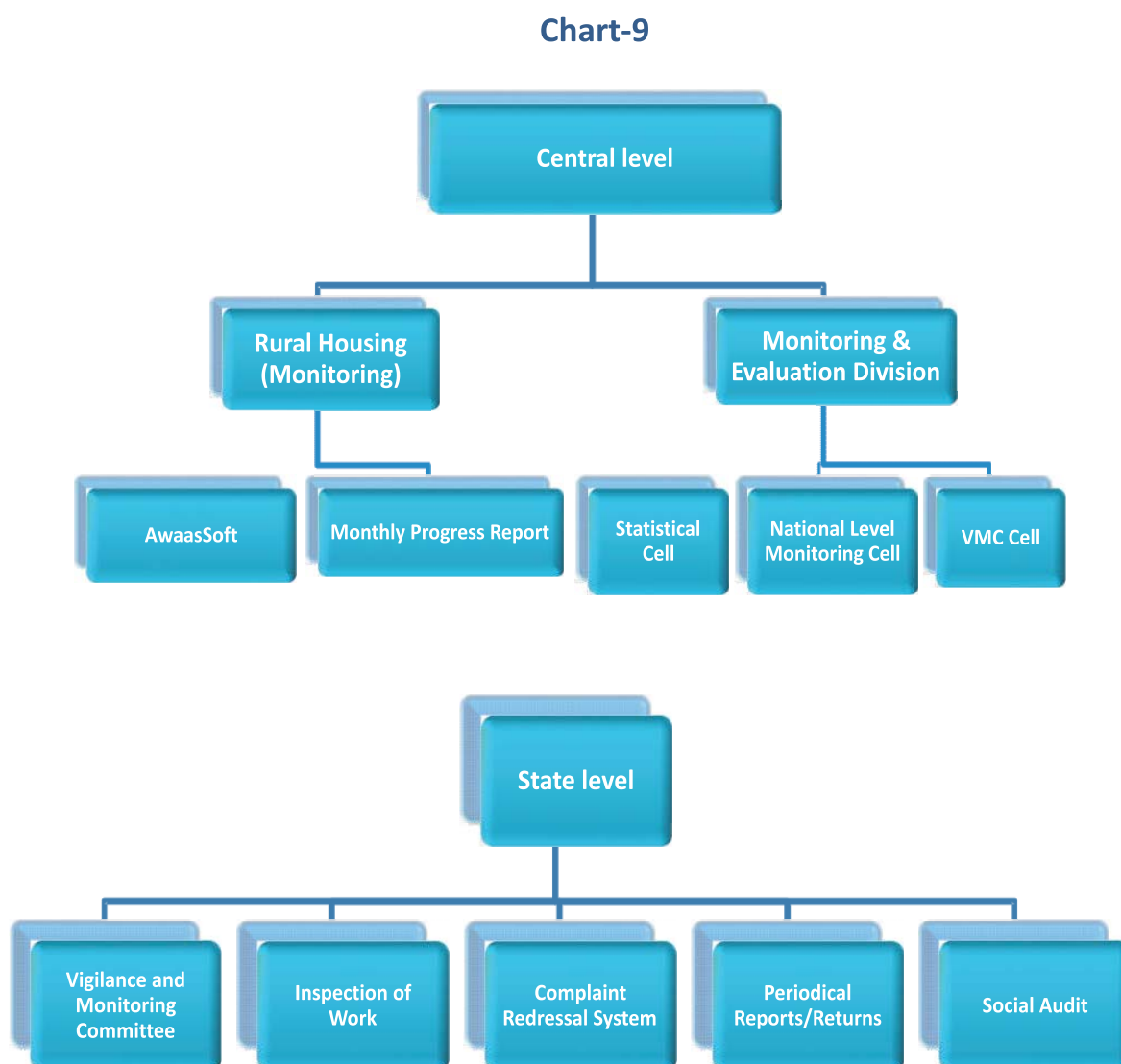


Chapter 7: Monitoring and Evaluation

7.1 Monitoring and Evaluation Framework

The IAY guidelines envisage a multipronged and extensive system of internal and external monitoring mechanisms at all levels. The monitoring mechanism at the central and the state level are shown below in the **Chart-9**:



7.2 Monitoring at the Central level

Monitoring at the central level is done by Rural Housing (RH) division responsible for the implementation of the IAY and Central Monitoring and Evaluation (CME) division which monitors implementation of all the schemes/programmes under the Ministry.

7.2.1 Monitoring by Rural Housing Division

Rural Housing (RH) division, responsible for implementation of the IAY has no separate sanctioned strength for monitoring. An officer of the rank of Section Officer compiles the reports received from the states and also manages the IAY database.

The main instruments for monitoring by this division were Monthly Progress Reports (MPRs) and *AwaasSoft*. MPRs were to be furnished online by the districts on the website of the Ministry by the 15th of every succeeding month to report financial assistance and physical performance made in the preceding month. The Ministry did not have any mechanism to verify the authenticity of MPRs.

We noted that in five states (**Jharkhand, Karnataka, Odisha, Rajasthan and Uttarakhand**), there was mismatch of data reported in MPRs and UCs/*AwaasSoft*. Discrepancies were noticed across different data such as number of houses sanctioned, completed and number of houses under construction, expenditure incurred, etc. Data depicted in MPRs did not match with actual data in basic records viz. cash book, work register, etc. State specific observations are given in **Annex-7.1**.

The Ministry in reply (June 2014) to the audit observations stated that there might be some discrepancies in uploading the data in the MPR and the *AwaasSoft* but the utilization of funds is monitored through the UCs submitted by the DRDAs duly supported by the audit report and thus the amount reported in the UCs is authentic.

AwaasSoft

The Ministry launched (February 2009) a web-based management information system (MIS) programme called *AwaasSoft* to capture beneficiary-wise data to monitor the IAY. *AwaasSoft* is a local language enabled workflow based transaction level MIS to facilitate e-governance in the system. This is a tool for management, generating all reports, keeping tracks of funds released, progress in construction of houses and convergence of all benefits. It has a grievance redressal system for lodging of complaints at GP/Block/DRDA and Ministry levels. It is accessible not only to all the stakeholders including beneficiaries but also citizens at large.

We noted that in selected districts of 15 states/UT viz. **Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Haryana, Himachal Pradesh,**

Jharkhand, Madhya Pradesh, Meghalaya, Nagaland, Punjab (three¹ out of six selected districts), **Uttar Pradesh, West Bengal and Andaman & Nicobar Islands**, *AwaasSoft* had been operationalised, but the data was not uploaded on regular basis. There was no specific mechanism to verify the authenticity of data uploaded on the system.

Though the *AwaasSoft* was launched in February 2009, the Ministry made it mandatory only in June 2012 for all states to upload 100 *per cent* data on *AwaasSoft* duly as a condition for release of second instalment for the year 2012-13. However, the Ministry waived this condition in December 2012 by giving relaxation to (i) North East states and Integrated Action Plan (IAP) districts had to achieve only 40 *per cent* MIS entry before getting second Instalment (ii) DRDAs who reported that MIS entry is being uploaded, should achieve at least 60 *per cent* MIS entry before release of next instalment and (iii) DRDAs who had not started MIS entry were advised to complete 60 *per cent* entry before release of next instalment.

Thus, non-conformity of mandatory provisions for uploading of data on *AwaasSoft* in respect of financial, physical and convergence data and relaxation by the Ministry indicated lack of seriousness. *AwaasSoft* as a tool for on-line monitoring, introducing transparency, efficient fund management, creation of data base of the BPL households, etc. can be utilized in effective manner by states and the Ministry.

The Ministry stated (June/July 2014) that initially the progress was slow as the manpower was not trained to use the MIS and with several rounds of training held in 2012-13, the position has now improved. The Ministry further added that provision of administrative cost in revised guidelines has helped in expediting the process. As regards authenticity of data the Ministry stated that it has to rely on data uploaded by states/DRDAs and random inspections are carried out from time to time by Area Officers, through the National Level Monitors (NLMs), etc.

The reply of the Ministry is contradictory to the ground realities noticed by audit in states that all the states were not using *AwaasSoft* and states who used *AwaasSoft* did not update their data on regular basis.

We also noted that the Ministry instructed (June 2012) all the State Governments to activate the complaint redressal system on *AwaasSoft*. Despite this, the complaint redressal system on *AwaasSoft* remained unutilized as no complaints were registered on it during 2012-13. The

¹ SAS Nagar, Patiala and Tarn Taran

Ministry agreed (March 2014) that system was yet to be used in systematic manner.

7.2.2 Monitoring by CME Division

Central Monitoring and Evaluation division of the Ministry of Rural Development looks after the monitoring of the IAY in addition to other flagship schemes, i.e. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), *Pradhan Mantri Gram Sadak Yojana* (PMGSY) and *Swaranjayanti Gram Swarojgar Yojana* (SGSY) through Vigilance and Monitoring Committee (VMC) cell, National Level Monitoring (NLM) and Statistical cell.

Vigilance and Monitoring Committee cell

VMC cell was vested with the task of nominating MPs/Non-official/NGOs/Area Officer to state level VMCs and the follow up action on VMC report. We noted that the cell did not have records relating to meetings of the VMC for the year 2008-09 to 2012-13.

We also noted that the representative/nominee of the Ministry did not participate in SLVMCs in 15 states/UT viz. **Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Haryana, Kerala, Madhya Pradesh, Manipur, Meghalaya, Nagaland, Rajasthan, Tripura, Uttarakhand and Andaman & Nicobar Islands** whereas only in six states viz. **Gujarat, Himachal Pradesh, Jharkhand, Odisha, Punjab, and Tamil Nadu** the representative/nominee of the Ministry participated in all SLVMCs which were held in these states during 2008-13. Further, the representative/nominee of the Ministry participated in 10 out of 18 meetings which were held in four states viz. **Karnataka, Maharashtra, Mizoram and Uttar Pradesh**). Details are given in **Annex- 7.2**. The Ministry released the funds to states/UTs regularly but did not participate in the aforesaid meetings in several states.

National Level Monitors

Scheme of National Level Monitors was conceptualized with public spirited senior level retired civil/defense service officers and academia, willing to provide voluntary services for a public cause. By involving third party independent monitors, the Ministry hoped to achieve unbiased and objective monitoring of its various programmes.

(i) Frequency of visits by NLMs

As per guidelines of the Ministry, NLMs were to be deputed for regular monitoring, special theme based monitoring and also for enquiring into the complaints with respect to all the programmes including the IAY implemented by the Ministry. There was provision for quarterly visits of NLMs to the districts to monitor all the important rural development programmes. We noted substantial shortfalls in visits of NLMs as against the targets fixed by the Ministry as detailed below in **Table-13**

Table-13 : Shortfalls in coverage of districts by NLMs

Year	No. of districts to be covered	No. of districts actually covered	Percentage shortfall
Regular monitoring			
2008-09	256	225	12
2009-10	344	251	27
2010-11	604	484	20
2011-12	Regular monitoring could not be done as empanelment of NLMs was under process.		
2012-13	690	591	14
The Ministry in October 2010 revised targets for coverage of districts under regular monitoring to approximately 150 districts in each quarterly round, implying that all districts of the country were to be covered in a year.			
Special Monitoring			
2008-09	91	86	5
2009-13	Not carried out		

Thus, NLMs could not cover targeted districts for regular and special monitoring during 2008-13.

The Ministry replied (June 2014) that due to non-assignment of work to some NLMs for their unsatisfactory performance, empanelment of individual NLMs, non-availability of NLMs, NLMs being preoccupied, etc. the targeted districts could not be covered.

(ii) Action on Reports of NLMs in complaint cases

States were to take prompt action on NLM's report in complaint cases. The programme division concerned was to satisfy itself with the action taken by

the states. If no satisfactory action was taken by the state/district for more than one full financial year, further release of funds to such state/district under the particular scheme was to be withheld.

The position of complaints and action taken was to form an integral part of the proposals for release of funds, so that the Ministry could satisfy itself of the action taken, before concurring in the proposals for release of funds.

Audit examination of 21 IAY related complaints pertaining to 2011-12 and 2012-13 related to nine states (**Assam, Bihar, Jammu & Kashmir, Jharkhand Madhya Pradesh, Odisha, Punjab, Tripura and Uttar Pradesh**) where NLMs were deputed to enquire into, revealed that action by the state governments on reports of NLMs were pending in 17 cases (September 2013). In **Assam** (two complaints) and **Uttar Pradesh** (one complaint) actions were pending for more than two years but the Ministry did not initiate any action despite pendency of action taken report from these states. The Ministry released funds in violation of the NLM guidelines as evident from the audit findings at the state level.

In three states (**Assam, Jharkhand and Manipur**) pertaining to deployment of NLMs revealed that though NLMs were deployed for regular monitoring and enquiry into complaints, they did not submit report to the district/state and even where they submitted their reports, state did not initiate action as detailed in **Annex-7.3**. This suggests that there is enough scope for effectiveness of monitoring by NLMs.

7.3 State Level Monitoring

Monitoring of the implementation of the IAY at the state level was to be carried out by Vigilance and Monitoring Committees (VMCs), inspection of works, Complaint Redressal System and social audits. The shortcomings noticed in the monitoring mechanism in the states are as discussed below:

7.3.1 Vigilance and Monitoring Committee (VMC)

According to para 6.1 of the IAY guidelines, the monitoring of the IAY at the state level is the responsibility of State Level Vigilance and Monitoring Committee (SLVMC) and at the district level, the District level Vigilance and Monitoring Committee (DLVMC). As per VMC guidelines issued by the Ministry, 20 meetings (four meetings in a year) were to be held from 2008-09 to 2012-13 at SLVMC and DLVMC level.

We noted that in 25 states/UT viz. **Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh,**

Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Punjab, Rajasthan, Tamil Nadu Tripura, Uttarakhand, Uttar Pradesh and Andaman & Nicobar Islands, only one to 10 SLVMC meetings were held during 2008-09 to 2012-13. No SLVMC meetings were held in **Goa and Jammu & Kashmir** during 2008-09 to 2012-13.

In all the selected districts of 27 states, required DLVMC meetings were not held during 2008-13. The shortfall in holding DLVMC meetings in selected districts ranged between 16 (**Mizoram**) and 254 (**Uttar Pradesh**).

No data regarding the DLVMC was furnished by state of **Chhattisgarh**. State-wise details of SLVMCs and DLVMCs in selected districts are given in **Annex-7.2**.

Thus, non-holding of required numbers of SLVMC and DLVMC meetings undermined the monitoring of implementation of IAY in the states.

The Ministry stated (June 2014) that the meetings of the SLVMC were chaired by an MP and due to his/her pre-occupation, holding of meetings was sometimes delayed or postponed.

The reply of the Ministry is not acceptable. As per the guidelines on Vigilance and Monitoring Committees, Chairman of the Committee would normally be Minister of Rural Development of the concerned state. Minister-in-charge of the Department of state government responsible for implementation of various other programmes of this Ministry shall be co-chairman of the SLVMC.

7.3.2 Inspection of works

According to para 6.1 of the IAY guidelines, the officers dealing with the IAY at the state headquarters should visit districts regularly and ascertain through field visits whether the IAY was being implemented satisfactorily and whether construction of houses was in accordance with the prescribed procedure. A schedule of inspection which prescribed a minimum number of field visits for each supervisory level functionary from the state level to block level was to be drawn up and strictly adhered to.

We noted that in selected districts of 20 states *viz.* **Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Kerala, Maharashtra, Manipur, Meghalaya, Nagaland, Odisha, Punjab, Rajasthan, Tripura, Uttar Pradesh and West Bengal**, the system of verification of works at field level was not carried out and schedule of

inspection was not drawn up. In **Madhya Pradesh**, schedule of inspection was drawn up but no regular inspections were carried out.

In **Andhra Pradesh**, verification of works at field level was done and payments were made to beneficiaries only after verification of stage-wise construction by the engineering wing of APSHCL. In **Karnataka**, no schedule of inspection was prescribed. The state government, however, stated (September 2013) that field inspections were conducted regularly although no documentary evidences to support this assertion was made available to audit. In **Mizoram**, regular field visits for verification of the works were carried out but without any schedule of inspection by the technical staff attached with the concerned blocks during 2008-13. In **Uttarakhand**, against two *per cent* of targeted inspection/physical verification of IAY houses at directorate level, the inspection conducted ranged from 0.05 to 0.08 *per cent* during 2008-13. In the districts, against prescribed 20 *per cent* inspection, actual inspection ranged between 5.20 and 11.99 *per cent* and in block level, against 100 *per cent* physical verification, it ranged between 2 to 17 *per cent*. This shortfall in inspection had a direct bearing on physical achievement of five selected districts as only 42 *per cent* houses of sanctioned houses were completed during 2008-13.

Case Study: Verification of works at field level

Jharkhand

In district Ranchi, a general investigation of implementation of the IAY pertaining to the period 2011-12 covering all 18 blocks was carried out by DRDA in July 2011. Investigation brought out irregularities in selection of beneficiaries and allotment of houses in 1,002 cases* of 16 blocks. However, audit observed that DRDA failed to initiate any action against the responsible officers/officials except in seven cases of *jan sevaks* (out of which three were suspended and charges were framed against one). Had the periodical monitoring and inspection carried out by respective block/district officers these type of instances could have been avoided.

* Names of beneficiaries not found in waitlist- 687 cases, allotment against BPL numbers of other family – 158 cases, allotment of houses against other caste and category – 101 cases, duplicate allotment of houses – 16 cases, allotment of houses to government employee – 2 cases, allotment of house to APL family – 5 cases, allotment of house by lowering the score of BPL family – 25 cases and by increasing the BPL score – 8 cases.

The Ministry (June/July 2014) stated that the district/state level officers have a limited role to play in this regard, However, field inspections were carried

out by block/district/state level officers, though schedules may not have been prepared. The field inspections have been reported by the states on *AwaasSoft* along with photographs. The Ministry further added that administrative cost (provided in the IAY guidelines revised in June 2013) may be utilised towards carrying out field inspections.

The reply of the Ministry is not satisfactory as the guidelines prescribe the schedule of inspections and field visits to be taken up at all levels. The audit observations indicated that the field inspections were not carried out. Further, *AwaasSoft* is not fully functional in most of the states and not being updated on regular basis so reporting on *AwaasSoft* does not reflect the true picture. This indicates weak monitoring on the part of the Ministry.

7.3.3 Complaint Monitoring System

According to para 6.1.2 of the IAY guidelines, to deal with complaints, an effective complaint monitoring system with adequate staff should be set up at the state level which can visit, independent of the regular execution wing, and give a report to the implementing agencies about the short comings/short falls, for effective redressal.

We noted that in selected districts of 10 states *viz.* **Arunachal Pradesh, Chhattisgarh, Gujarat, Jammu & Kashmir, Jharkhand, Madhya Pradesh, Meghalaya, Punjab, Tripura and Uttar Pradesh**, no effective complaint monitoring system was set up to deal with the problems/complaints of beneficiaries.

Delay in disposal of Complaints

We noted that in selected districts of nine states *viz.* **Andhra Pradesh, Bihar, Jharkhand, Maharashtra, Odisha, Punjab, Rajasthan, Uttarakhand and West Bengal**, out of 3,437 complaints, 2,010 complaints were pending for settlement as on March 2013 as detailed in **Annex-7.4**.

In **Andhra Pradesh**, although a complaint redressal system existed in APSHCL for the state housing scheme, there was no separate system established for the IAY. For the entire state 2,865 cases during 2008-13 pertaining to the IAY and state housing scheme were pending for redressal as of March 2013. As only one complaint redressal system was being maintained for both the IAY and state housing scheme, the actual details of complaints and its redressal in respect of the IAY could not be ascertained. In **Punjab**, no record regarding number of complaints received and disposed of during 2008-12 was available and five complaints pertaining to 2012-13 were pending.

The Ministry stated that a Standard Operating Procedure (SOP) for dealing with the complaints has been circulated (2 April 2012) in this regard. However, non-establishment of effective complaint monitoring system has resulted in accumulation of large number of complaints which are still pending with the concerned states. The measure taken by the Ministry has not addressed the shortcomings.

Case study on non-disposal/delay in disposal of complaints

Assam

- People in village Amrikhowa after conducting a *nagarik sabha* submitted a complaint in June 2011 to the Project Director, district Barpeta against GP president, ward members and JE of the GP 12 no. Pub Sarukhetri under block Sarukhetri for demanding bribes ranging from ₹ 2,000 to ₹ 15,000 for allotment of IAY houses. Project Director in June 2011 directed the GP secretary and president to come to his office but both of them did not turn up. Further, action taken, if any, was not available on record.
- In block Gobardhana, 18 complaints were lodged between February 2010 and August 2011 by the beneficiaries on demand of bribe, inferior quality of materials supplied by JE to beneficiaries, misappropriation of funds, non-receipt of fund despite allotment, etc. Follow up action taken on the grievances, if any, was not available on record.
- In district Cachar, seven complaint cases of irregular allotment of IAY houses, rejection of list of beneficiaries without observing norms including one case of irregular withdrawal of fund of ₹ 0.72 lakh remained unsettled.
- In district Karimganj, 30 complaints relating to non-conducting of *gaon sabhas* were lodged during 2008-13, illegal selection of the IAY beneficiaries, etc. were not disposed of and were lying at enquiry level with the blocks.

The PD, district Barpeta in March 2009 released ₹ 35.81 lakh to the block Gobardhana for release to 91 approved beneficiaries under GP Khairabari. The BDO in turn released ₹ 25.79 lakh to 76 beneficiaries during October 2009 and February 2010. The balance of ₹ 10.02 lakh was not released because of receipt of some complaints from villagers regarding double allotment of houses. The House Committee constituted in June 2010 by the block level V&MC investigated the matter and submitted a status report in July 2011 after a delay of more than a year. Scrutiny of the report and relevant records of the block and GP disclosed that:

- Nine beneficiaries who had been earlier allotted houses during 2002-03 to 2005-06 were again given assistance against the allotment for the year 2008-09 leading to irregular double allotment of nine houses involving expenditure of ₹ 3.33 lakh. No steps were taken for recovery of the amount.
- Eight beneficiaries to whom fund of ₹ 2.00 lakh was released as first instalment @ ₹ 25,000 were, however, not released the second instalment resulting in non-completion of their houses as of July 2013. The reasons for the same were not on record.
- One beneficiary whose name did not appear in the approved list of 91 beneficiaries was also released ₹ 37,350 without approval of the competent authority.
- Further, the GP released second instalment of ₹ 4.57 lakh (out of ₹ 10.02 lakh) to the genuine beneficiaries during May 2012 and July 2013. The balance amount of ₹ 5.44 lakh remained unutilised with the GP/block.

7.4 Close monitoring at grass root level

According to para 5.8 of the IAY guidelines, close monitoring at grass root level should be carried out through engagement of non-governmental organizations (NGO) having proven good track record. The supervision, guidance and monitoring of construction of the IAY houses could be entrusted to NGOs.

We noted that in six states *viz.* **Jharkhand, Kerala, Meghalaya, Odisha, Rajasthan** and **Uttarakhand**, no attempts were made by the DRDAs and the BDOs concerned to involve NGOs for monitoring and supervision of the IAY.

7.4.1 Social Audit

According to para 6.3.5 of the IAY guidelines, system of social auditing of the IAY would be followed.

We noted that in selected districts of 22 states *viz.* **Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Rajasthan, Tripura, Uttar Pradesh, Uttarakhand and West Bengal**, social audits of the IAY were not conducted.

Further, it was noted that out of 13 selected districts, in six districts (Dhar, Katni, Dindori, Barwani, Ujjain, Rajgarh) of **Madhya Pradesh** and only in one district (Supaul) out of 10 selected districts in **Bihar**, the social audit was conducted during 2008-13.

This indicated that social audit system was not given its due emphasis by any of the states.

The Ministry (June 2014) stated that from the year 2013-14, four *per cent* of the IAY funds are being released to the states to administer the scheme, up to one *per cent* of which can be utilized for conducting social audit.

7.5 Impact Evaluation

According to para 6.2 of the IAY guidelines, Central government and state governments may conduct periodic evaluation studies on the implementation of the IAY. These evaluation studies may be got conducted by institutions and organizations of repute on the implementation as well as the issues thrown up by the concurrent evaluation, conducted by the Government of India.

Only one national level evaluation study on the implementation and impact of the IAY was undertaken during 2008-13 by the Department of Social Work,

University of Delhi on behalf of the Planning Commission in 12 states² in June 2009. The purpose of the study was to enable the Ministry and implementing agencies at various levels to provide inputs for introducing improvements and taking suitable corrective measures, so that the scheme delivers the intended benefits.

Delay in releasing instalments, inadequate funds, un-awareness regarding the IAY waitlist and long waiting period, non-opening of bank account and lack of awareness about the exact terms and conditions of the IAY, revision of the criteria for BPL, ineffective role of *Gram Sabha* in beneficiary selection, etc. were some findings of the evaluation study.

The study came up with various suggestions, i.e. giving more prominence to *Gram Sabhas* in selecting the beneficiary, requirement of timely revision of financial assistance, financial allocation from state to state depending on socio-economic status, following up of uniform implementation pattern with specific monitoring mechanism, transparency and awareness, etc.

The report was submitted to the Ministry by the Planning Commission in November 2012. The action taken by the Ministry on the evaluation study was awaited.

No evaluation studies on the implementation of the IAY was done in 19 states/UT viz. **Assam, Andhra Pradesh, Arunachal Pradesh, Bihar, Goa, Gujarat, Himachal Pradesh, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, Mizoram, Manipur, Nagaland, Punjab, Rajasthan, Uttar Pradesh, West Bengal and Lakshadweep** to assess the impact of the implementation of the IAY during the period 2008-13.

In **Meghalaya**, evaluation study on implementation of the IAY was conducted by an independent evaluation firm recruited (November 2011) by the Government of Meghalaya for the period 2007-12. The major recommendations were in terms of enhancement of assistance under the IAY, rectification of the BPL list, transparency in selection of beneficiaries, convergence of scheme and strong monitoring and supervision. However, the state government had not acted on these recommendations.

² Assam, Bihar, Gujarat, Kerala, Karnataka, Madhya Pradesh, Nagaland, Orissa, Punjab, Rajasthan, Uttarakhand, Uttar Pradesh

Recommendations:

- Grievance redressal mechanism should be strengthened by encouraging on line registration of complaints and their prompt disposal. Concerned officers should monitor this exercise on quarterly basis and ensure that no grievance remains pending beyond a reasonable period.
- Social Audit can be employed as an effective means to ensure that eligible beneficiaries are being selected and good quality houses are constructed for them in time. Engaging reputed NGOs in the process may be considered for strengthening social audit.
- State level evaluation studies may be encouraged to identify weaknesses in implementation of the IAY.