

CHAPTER VI

IMPLEMENTATION OF SCHEMES

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Urban Local Bodies implement various Central and State sponsored schemes. Test check of 68 ULBs audited during the year revealed non-compliance with the guidelines during implementation of the scheme as discussed in the succeeding paragraphs.

6.1 Employment Generation in Urban Area Scheme

Government of West Bengal launched Employment Generation Scheme (EGS) in September 2005 for generation of employment as well as improvement and maintenance of civic infrastructure in urban areas by direct engagement of urban poor without involvement of contractors. The works under this scheme had to be done directly by the ULBs either through Ward Committees (WC) or through Community Development Societies (CDS) with the overall objective of ensuring wage employment for the members of the CDS and urban poor. The works under the scheme were to be identified by the WC / CDS.

6.1.1 Inadequate utilisation of EGS Grants

Unit-wise details are given below.

Table 18: Utilisation of EGS grants during the year 2011-12

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Expenditure	Closing Balance	Percentage of expenditure
		(₹ in lakh)					
1.	Beldanga	26.41	0	26.41	5.58	20.83	21
2.	Bhadreshwar	45.86	0	45.86	3.25	42.61	7
3.	Coochbehar	44.91	57.17	102.08	102.32	(-)0.24	100
4.	Dhupguri	54.33	19.85	74.18	9.19	64.99	12
5.	Gayeshpur	6.54	0	6.54	3.38	3.16	52
6.	Ghatal	14.64	47.30	61.94	25.00	36.94	40
7.	Kharagpur	131.32	0	131.32	41.68	89.64	32
8.	Purulia	35.52	74.50	110.02	108.34	1.68	98
9.	Santipur	43.16	0	43.16	37.82	5.34	88
10.	Serampore	81.35	299.40	380.75	239.64	141.11	63
11.	Uttarpara-Kotrung	150.67	76.08	226.75	115.27	111.48	51
Total		634.71	574.30	1209.01	691.47	517.54	57

Only six ULBs utilized more than 50 *per cent* of grant during 2011-12. Bhadreshwar municipality utilized only seven *per cent* of the available grant during 2011-12.

6.1.2 Community Development Societies not involved

As per the guidelines issued by the State Government, the works under EGS should be done directly by the ULBs either through Ward Committees or through Community Development Societies. Records indicated that five ULBs²⁹ spent ₹ 4.19 crore under the scheme during 2009-12 without involving the Ward Committees / Community Development Societies.

6.1.3 Prescribed wage–material ratio not adhered to

6.1.3.1 As per the guidelines issued by the State Government, wage component and material component should, in question, adhere to 40:60 proportions for individual scheme and deviation is permissible for higher percentage of wage component. Test check of records relating to works executed during 2008-12 by four ULBs (**Table 19**) revealed that contrary to the scheme guidelines, the expenditure on wages was far below 40 *per cent* of the total cost of works as detailed below. This resulted in non-generation of additional employment of approximately 28073 man-days³⁰ on an average during the years:

Table 19

Name of ULB	Year	Ratio – Wage : Material	Excess expenditure on material (₹ in lakh)
Beldanga	2008-09	29:71	1.65
	2009-10	35:65	0.71
	2010-11	26:74	2.05
	2011-12	33:67	0.39
Dum Dum	2010-11	26:74	1.61
Kharagpur	2009-10	37:63	1.02
Shantipur	2009-10	17:83	13.24
	2010-11	18:82	13.91
	2011-12	20:80	7.53
Total			42.11

In Burdwan municipality, wage-material ratio could not be ascertained due to non-maintenance of proper record.

6.1.3.2 As per para 5 of the guidelines, works under the scheme are to be identified by the Ward Committees and estimates are to be prepared and certified

²⁹ Chandernagore (₹ 49.78 lakh during 2010-11), English Bazar (₹ 42.19 lakh during 2009-12), Kalyani (₹ 166.71 lakh during 2009-11), Kharagpur (₹ 88.92 lakh during 2010-12) and Naihati (₹ 71.07 lakh during 2010-11).

³⁰ Computed based on wage rate of ₹ 150 per day.

by the Sub Assistant Engineer / Assistant Engineer of the concerned ULBs. Further, as per para 7 of the guidelines, ULBs are required to submit to the Municipal Affairs Department one set of vetted estimates³¹ of individual work accompanied by the recommendation of the WCs and the Board of Councillors' resolution. It was observed that 12 ULBs³² did not submit vetted estimates of individual works to the department. The department had also not called for the same while sanctioning further fund for this purpose as revealed from the records of the ULBs.

6.1.4 Stock registers and list of urban poor not maintained

As per para 10 of the guidelines, ULBs should maintain registers for stock of material, quantum of work done and complete list of identified urban poor / CDS members eligible to participate as wage earners in the scheme. Test check of records revealed that six ULBs³³ did not properly maintain various records like identified list of urban poor / CDS members and five ULBs³⁴ did not maintain / update stock registers as required.

In absence of the above records, Audit could not verify the eligibility of the beneficiaries and whether equal opportunity was extended to all the urban poor / CDS members.

6.1.5 Delay in payment of wages

Three ULBs viz., Chandernagore, Serampore and Uttarpara-Kotrung delayed the payment of wages to the labourers and the period of delay was from three to seven months.

6.1.6 Works executed by engaging contractors – ₹ 2.55 crore

Test check of records revealed that five ULBs³⁵ executed works (such as construction and repair of roads, etc.) worth ₹ 2.55 crore during 2009-12 engaging contractors in violation of Government guidelines. As a result, it could not be

³¹ As per Section 73A of the West Bengal Municipal Act, 1993, Board of Councillor may approve the estimate of work upto rupees twenty five lakh, for the expenditure of more than rupees twenty five lakh, approval of State Government is required.

³² Ashoknagar-Kalyangarh, Beldanga, Burdwan, Chandernagore, Dhupguri, Egra, Gayeshpur, Ghatal, Kharagpur, Purulia, Serampore and Shantipur.

³³ Burdwan, Coochbehar, Dhupguri, Ghatal, Howrah and Kharagpur.

³⁴ Ahoknagar-Kalyangarh, Coochbehar, Dhupguri Ghatal, and Kharagpur.

³⁵ Ashoknagar-Kalyangarh (₹ 217.71 lakh during 2009-12), Coochbehar (₹ 18.49 lakh during 2009-12), Egra (₹ 8.14 lakh during 2009-10), Ghatal (₹ 7.18 lakh during 2009-12) and Howrah (₹ 3.23 lakh during 2010-11).

ensured in Audit whether the urban poor of the respective ULBs were actually extended the benefit of employment.

6.1.7 Unauthorized Expenditure of ₹ 4.18 crore

Test check of records revealed that nine ULBs incurred unauthorized expenditure of ₹ 4.18 crore for different purposes during 2007-12 in contravention of the provision of the guidelines as given below.

Table 20: Unauthorized expenditure incurred by ULBs from EGS Grant

Name of ULB	Period	Purpose	Amount (₹ in lakh)
Ashoknagar-Kalyangarh	2009-12	Supply of flower plants, medicine, fertilizer, tree, electrical materials & plant and tools for parks, construction of bathrooms, maintenance of nursery	19.37
Beldanga	2008-11	Renovation of guest house and office building	3.50
Chandernagore	2007-09	Purchase of material for different works, contingency, wage of daily rated workers of ULB, payment of pension.	82.04
Coochbehar	2009-12	Purchase of bricks, cement, cloth, rickshaw, street light material, etc.	98.26
Coopers' Camp	2009-11	Integrated Housing & Slum Development Programme	11.00
Egra	2009-10	Payment of wages of regular nature	1.10
Gayeshpur	2010-11	Maintenance of picnic garden	1.66
Purulia	2010-12	Pension and remuneration, casual labour payment	123.84
South Dum Dum	2010-11	Wages of the casual labour of municipality	77.01
Total			417.78

6.1.8 Utilisation Certificate

Test check in audit revealed that in Egra municipality, utilization certificate was furnished for 100 *per cent* grants received during 2009-11 whereas records of the municipality indicated only 88 *per cent* utilisation. Similarly in Shantipur municipality even though expenditure was incurred to the tune of ₹ 235.81 lakh, utilization certificate was furnished for only ₹ 128.28 lakh (54 *per cent*).

6.2 Mid-day Meal Scheme

The National Programme of Nutritional Support to Primary Education, popularly known as Mid-day Meal (MDM) Scheme was launched on 15 August 1995 to cover all the students of primary classes. The Programme is intended to give a

boost to universalisation of primary education, by increasing enrolment, retention and attendance and simultaneously impacting nutrition of students in primary classes. Government of India assists ULBs by providing food grains and reimbursing the actual cost incurred on transportation, cooking cost, assistance to construct kitchen-cum-store, assistance for provisioning and replacement of kitchen devices and assistance for management, monitoring and evaluation. Shortcomings noticed in the various ULBs are given below:

6.2.1 Scheme not implemented

Thirteen ULBs failed to implement the scheme in 316 schools as detailed below:

Table 21

Name of ULB	No. of school in municipal area selected for MDM implementation	No. of schools in which MDM not implemented	Percentage of non-coverage	Upto
Ashoknagar-Kalyangarh	22	6	27	March 2012
Barasat	NA	9	NA	September 2011
Barrackpore	NA	12	NA	December 2012
Bhatpara	173	45	26	March 2012
Burdwan	165	63	38	March 2011
Durgapur	223	41	18	March 2011
Ghatal	50	5	10	March 2012
Kharagpur	129	47	36	March 2012
Kulti	122	7	6	October 2012
North Barrackpore	42	30	71	January 2012
North Dum Dum	95	39	41	March 2011
Panihati	64	9	15	October 2011
Shantipur	112	3	3	March 2012
Total		316		

Coverage of implementation of scheme varied between 62 to 97 per cent excluding Barasat and Barrackpore municipalities where the information of total number of schools were not made available.

Thus, students of these schools were deprived from availing the benefits of the scheme.

6.2.2 Stock of rice not maintained

Four ULBs viz., Barasat, Ghatal, Kaliyaganj and Raiganj did not maintain stock registers properly due to which stock on a particular date was not ascertainable.

6.2.3 Defalcation of rice

In Panihati municipality, a dealer for MDM did not supply the allotted 2770.72 quintal of rice to schools. A show cause notice was served to the dealer for verification of stock of rice and delivering the balance quantum of rice to the ULB. As no response was forthcoming, an FIR was lodged against the dealer in June 2011 for theft of rice, misrepresentation of facts and suppression of statements of actual distribution to schools.

6.2.4 Rice damaged

Six ULBs reported that 584.50 quintals of rice (Table 22) valuing ₹ 9.04 lakh were damaged in the godown during the period 2010-12. Thus, beneficiaries were deprived of the intended benefit.

Table 22

Name of ULB	Period	Rice damaged (in quintals)	Value of damaged rice @ ₹ 1545 per quintal (₹ in lakh)
Bally	2011-12	51.18	0.79
Barasat	2011-12	72.27	1.12
Chandernagore	2010-12	251.00	3.88
Dum Dum	2010-11	95.00	1.47
North Barrackpore	2010-11	105.05	1.63
Serampore	2011-12	10.00	0.15
Total		584.50	9.04

6.2.5 Rice and cash component used for other purposes

Barasat municipality distributed 30.73 quintals rice of MDM as relief to infirm, HIV patient, clubs and organizations during the period 2011-12. The municipality had also diverted 212.48 quintals rice from MDM rice stock for distribution among flood affected persons. Apart from this, the municipality further purchased two Mahindra BS IV vehicles at a cost of ₹ 6.21 lakh out of the MDM grant.

6.2.6 Utilization certificate not furnished

In 11 ULBs³⁶, schools did not furnish utilization certificates to the ULB regularly either for rice component or cash component or for both. Five ULBs³⁷ did not furnish utilization certificates to the Government either for rice component or cash component or for both. Scrutiny of the records further revealed that Gangarampur

³⁶ Barasat, Burdwan, Chakdaha, Gangarampur, Gayeshpur, Ghatal, Kamarhati, Mal, Purulia, Raiganj and Ramjibanpur.

³⁷ Kharagpur, Kulti, Purulia, Raiganj and Siliguri.

municipality had submitted the utilisation certificate of ₹ 26.29 lakh, ₹ 25.72 lakh and ₹ 29.38 lakh for 2009-10, 2010-11 and 2011-12 respectively against the actual expenditure of ₹ 20.61 lakh, ₹ 26.33 lakh and ₹ 45.68 lakh respectively.

6.3 Conclusion

Non-compliance with the Government guidelines frustrated the objectives of the schemes and deprived targeted beneficiaries from the intended benefits of basic amenities and services.

6.4 Recommendations

- Schemes need to be implemented as per guidelines stipulated by the Government from time to time.
- Adequate controls need to be put in place to prevent irregular execution of works and releasing of food grains / money for purpose other than concerned scheme.