

## Chapter 10

# Construction of Police Accommodation



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### 10.1 Introduction

The national police commission had recommended housing accommodation for all police persons in the state with special emphasis on lower and higher subordinates. It is one of the thrust areas under modernisation of police forces to construct well-secured residential, administrative and other buildings with all basic amenities to provide a better living and working environment to State Police Forces.

### 10.2 Execution of works

To provide better infrastructural facilities to Police Personnel, GoUP sanctioned construction of 2,068 buildings costing ₹ 2,920.62 crore and awarded the construction works to nine executing agencies<sup>27</sup> during 1995-2016.

Out of the above 2,068 works, 616 works costing ₹ 1,048.73 crore sanctioned up to March 2014 were required to be completed up to March 2016. Audit scrutiny, however, revealed that only 393 works (64 per cent) were completed by incurring an expenditure of ₹ 482.15 crore and balance 223 works (34 per cent) were incomplete as of March 2016 on which an expenditure of ₹ 390.73 crore had been incurred (*Appendix 10.1*). Reasons behind the slow progress of construction works are discussed in succeeding paragraphs:

#### 10.2.1 Funds not utilised

Budget allocation and expenditure on construction works of police department during 2011-16 were as follows:

**Table 10.1: Details of allotment, expenditure and surrender**

(₹ in crore)

Sl. No.	Year	Budget allotment/ Release	Expenditure (%)	Surrender (%)
1	2011-12	539.83	236.64 (44)	303.19 (56)
2	2012-13	561.75	294.08 (52)	267.67 (48)
3	2013-14	531.20	476.88 (90)	54.32 (10)
4	2014-15	559.13	517.41 (93)	41.72 (07)
5	2015-16	643.75	597.79 (93)	45.96 (07)
<b>Total</b>		<b>2,835.66</b>	<b>2,122.80 (75)</b>	<b>712.86 (25)</b>

(Source: Budget Documents)

The Department failed to utilise the budget allocation fully and ₹ 712.86 crore (25 per cent) were surrendered during 2011-16. Failure to utilise the funds indicated slow pace of execution of works.

<sup>27</sup> A&VP, C&DS, JLN, PAN Ltd., PACCFED, PWD, UPRNN, SKN and UPPCL.

**10.2.2 Award of work on nomination basis****10.2.2.1 Award of works without competitive bidding**

As per Central Vigilance Commission Guidelines, award of contracts on nomination basis, which is also called a single tender should be resorted to only under exceptional circumstances like natural calamities and emergencies or if there were no bids to repeated tenders or where only one supplier has been licensed (proprietary item) in respect of goods sought to be procured.

Scrutiny of records revealed that open tenders were not being floated for award of works to ensure transparency and competitiveness and get most reasonable rates. Audit noticed that 2,068 works costing ₹ 2,920.62 crore were allotted to nine government construction agencies on nomination basis without inviting tenders as detailed in the table below:

**Table 10.2: Agency wise number of works allotted**

(₹ in crore)

Sl. No.	Name of the construction agency *	No. of works allotted	Sanctioned cost	Released amount	Expenditure	Incomplete works	
						No. of works (%)	Sanctioned cost (%)
1.	A&VP	81	166.89	104.07	80.01	68 (84)	158.57 (95)
2.	C&DS	41	51.43	46.05	40.56	25 (61)	36.98 (72)
3.	JLN	9	6.47	5.67	5.27	05 (55)	2.05 (32)
4.	PAN Ltd	1540	748.37	703.37	500.05	1,038 (67)	470.99 (63)
5.	PACCFED	18	28.37	22.54	18.44	07 (39)	16.09 (57)
6.	PWD	24	201.82	101.21	101.21	24 (100)	201.82 (100)
7.	UPRNN	69	1215.35	395.30	305.88	54 (78)	1,198.92 (99)
8.	SKN	27	56.77	40.21	33.21	13 (48)	25.65 (45)
9.	UPPCL	259	445.14	437.41	394.56	99 (38)	223.26 (50)
<b>Grand Total</b>		<b>2,068</b>	<b>2,920.62</b>	<b>1,855.82</b>	<b>1,479.19</b>	<b>1344</b>	<b>2,364.13 (81)</b>

(Source: Police Headquarters Allahabad)

\* A&VP: *Awas and Vikas Parishad*, C&DS: *Construction and Design Services*, JLN: *Jal Nigam*, PAN Ltd: *Police Awas Nigam Limited*, PACCFED: *Processing and Construction Cooperative Federation Ltd.*, PWD: *Public Works Department*, UPRNN: *Uttar Pradesh Rajkiya Nirman Nigam*, SKN: *Samaj Kalyan Nigam*, UPPCL: *Uttar Pradesh Project Corporation Ltd.*

Award of such high value contracts on nomination basis without competitive bidding promotes ineffectiveness, arbitrariness and ignores the need to improve quality and enforce cost controls. Hence, award of such a large number of works on nomination basis even amongst the Government construction agencies was not proper and justified.

In reply, the Government stated that as suggested by audit, instructions had been issued to constructions agencies for compliance.

**10.2.2.2 Payments to construction agencies as advance by PHQ**

Advances given to the contractors/construction agencies should not exceed the financial limits prescribed in UP PWD model bid documents. Also advances should always be secured and recovery should be time bound and not linked to the progress of work. Receipt and utilization of advances should be monitored through Escrow accounts, to be opened by the construction agency receiving

the advance. Advances, if not secured against material brought at site, should be interest bearing.

Scrutiny of records revealed that first instalment of sanctioned amount was released to construction agencies by the PHQ as advance before start of the work. PHQ did not monitor the physical progress of execution of work and the actual expenditure incurred by the Government executing agencies against various works allotted to them and also did not monitor the balance available with them at the end of the financial year. PHQ went on releasing advances to Government construction agencies. As a result an amount of ₹ 376.63 crore balance had accumulated with the construction agencies as on March 2016. Such practice of releasing advances to construction agencies without monitoring the utilisation of advances already available with them puts avoidable burden on Government exchequer and extends undue favour to the construction agencies.

In reply, the Government stated that works is executed through deposit, therefore, the fund has to be paid in advance. The reply is not acceptable as the fund flow should be in accordance with the progress of the work.

### 10.2.3 Performance of Construction Agencies

Performance of construction agencies was not reviewed by the police department before awarding the works, which was evident from the table below showing details of works awarded during last two years (2014-16) despite large number of incomplete works of previous years pending with the executing agencies.

**Table 10.3: Agency wise incomplete and allotted works during 2014-16**

(₹ in crore)

Name of the agency	Total works awarded up to March 2012		Incomplete works awarded up to March 2012			Works awarded during 2014-16	
	No.	Cost	Period	Number (%)	Cost (%)	Number (% of total)	Cost (% of total)
A&VP	13	11.07	2011-12	1 (08)	3.17 (29)	66 (06)	150.96(08)
C&DS JLN	38	39.79	2002-12	22 (58)	25.34 (64)	2 (00)	3.07 (00)
JLN	2	1.70	2011-12	1 (50)	1.35 (79)	2 (00)	0.46 (00)
PAN Ltd.	141	104.65	2006-12	15 (11)	7.26 (07)	986 (88)	392.77 (22)
P-FED	16	18.09	2005-10	5 (31)	5.81 (32)	2 (00)	10.28 (01)
PWD	0	0	--	0 (00)	0 (00)	24 (02)	201.82 (11)
UPRNN	57	231.84	1995-2012	29 (51)	207.82 (90)	12 (01)	983.51 (54)
SKN	10	17.54	2004-10	7 (70)	16.20 (92)	16 (01)	35.27 (02)
UPPCL	227	359.37	2009-12	72 (32)	148.27 (41)	11 (01)	28.90 (02)
<b>Total</b>	<b>504</b>	<b>784.05</b>	<b>1995-2012</b>	<b>165</b>	<b>422.81</b>	<b>1,121</b>	<b>1,807.04</b>

(Source: Police Headquarters Allahabad)

It is evident from the above table that worst performing agency was *Uttar Pradesh Rajkiya Nirman Nigam Limited* (UPRNN) to whom 57 works costing ₹ 231.83 crore (30 per cent) were awarded during 1995 to 2012 but 29 works (51 per cent) costing ₹ 207.82 crore (90 per cent) were incomplete

as of March 2017. The State government allotted 12 major works valuing ₹ 983.51 crore (54 per cent of total value of works awarded during 2014-16) to UPRNN ignoring the poor performance of the agency. Similar was the position of several other agencies, such as *Avas and Vikas Parishad*, *Samaj Kalyan Nigam*, UP Project Corporation Limited, who were awarded large orders despite poor performance in executing works prior to year 2012. This has seriously impacted, the modernisation of police force, in an adverse manner due to inordinate delays in execution of majority of works like police stations, barracks, residential quarters, fire stations etc. The worst performing districts were Kanpur Dehat, Aligarh, Lucknow, Gorakhpur, Mirzapur etc.

In reply, the Government stated that action will be taken in accordance with the suggestions made by audit.

#### 10.2.4 Award of works without assessing capacity of construction agencies

State Government had fixed (February 2013) maximum capacity limits of construction agencies for award of works, which were ₹ 25.00 crore for *Samaj Kalyan Nirman Nigam & Avas Vikas Parishad* and ₹ 10.00 crore for UPPCL & PACCFED. The department (awarding works) was required to obtain a certificate from these construction agencies certifying that the agency has capacity to carry out the balance work in light of their workload capacity as per the Government Order (GO). It was also mentioned in the GO that along with open tender, the option was also available with administrative department to adopt limited tendering among government agencies of the State and the Centre for awarding the work.

Scrutiny, however, revealed that police department in awarding the work of construction of buildings neither verified the workload capacity of the agencies nor invited open/limited tender. Number of works awarded to the above four agencies in 2015-16 vis-à-vis pending works as on March 2015 are given in table below:

**Table 10.4: Works awarded to construction agencies with excess workload in terms of incomplete works**

(₹ in crore)

Agency	Pending work till 2014-15		Works awarded during 2015-16		Total work load in 2015-16	
	No.	Cost	No.	Cost	No.	Cost
A&VP	30	82.92	38	75.65	68	158.57
P-FED	5	5.81	2	10.28	7	16.09
SKN	11	29.79	13	25.65	24	55.44
UPPCL	96	215.60	3	7.67	99	223.27
<b>Total</b>	<b>142</b>	<b>334.12</b>	<b>56</b>	<b>119.25</b>	<b>198</b>	<b>453.37</b>

(Source: Police Headquarters Allahabad)

It is evident from the above table that 56 works costing ₹ 119.25 crore were awarded in 2015-16 to four construction agencies exceeding their capacity in violation of GO.

In reply, the State Government stated that the said agency was nominated to execute the work after assessing their financial capacity. Reply could not be verified as no documents were provided to audit in support of their reply.

### **10.2.5 Memorandum of Understanding with Construction Agency**

Uttar Pradesh Budget Manual (para 212.vii.4) provides that Agreements/MOU's were to be signed with executing agencies by the department before release of the fund to them or commencement of the works.

Audit noticed that above provision was not followed by the Department as works were commenced and funds were released before signing MOUs with the construction agencies. Scrutiny of 27 works with sanctioned cost of ₹ 328.84 crore (*Appendix 10.2*) revealed that:

- In all works, funds were released before signing MoUs amounting to ₹ 276.90 crore (84 *per cent*) except in one case<sup>28</sup> where the amount was released on the date of signing MoU.
- In 12 works (awarded during March 2005 to February 2015) costing ₹ 233.13 crore, MoUs were still not signed (March 2016) even though ₹ 226.28 crore were released up to March 2016. In 10 out of 12 cases in which MoUs were not signed, 100 *per cent* of the sanctioned amount was released.

Signing of MoU is essential to hold the construction agency accountable in case they failed to perform leading to delays and unsatisfactory quality in execution etc. Hence release of payment without firming up the terms and conditions of execution of works and responsibilities of the executing agency was highly irregular and did not protect the interest of the department.

Scrutiny, further revealed that even in cases where MOUs were signed, the provision of one *per cent* compensation for delay in completion of work was very low as compared to provisions in Public Works Department and Rural Engineering Department where it was one *per cent* of the contract price per week subject to the maximum of 10 *per cent*.

Further, despite long delays in completion of works, compensation of one *per cent* was also not recovered in any case from executing agencies. This gave undue benefit of ₹ 55.71 crore to the construction agencies as 223 works sanctioned up to March 2014 with sanctioned cost of ₹ 557.08 crore were still not completed by the construction agencies.

In reply, the Government stated that execution of sanctioned works is done after MoU is signed with the agencies. The letters have been sent to the concerned districts for signing the MoUs with the agencies involved in 12 selected projects by the audit. It further stated that penalty clause is included (July 2015) in new format of MoU. Collection of penalty from the agencies, which did not complete the works in prescribed time limits, is in process.

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<sup>28</sup> Construction of buildings at Fire Station, Bilgram, Hardoi.

### 10.2.6 Award of work without ensuring availability of land

Financial Hand Book Volume-VI (paragraph 378) provided that no work should be started before availability of land.

Scrutiny of records of construction agency *Police Awas Nigam Ltd* (PAN Ltd) revealed that GoUP did not ensure the availability of undisputed land before awarding the work and releasing the fund to PAN Ltd. This resulted in 115 works costing ₹ 49.08 crore being allotted to PAN Ltd. (₹ 28.68 crore released) during 2009-2015 but work in these cases have not started as land was not available.

Release of funds in violation of Financial Rules resulted in undue favour at the cost of Government money.

In reply, the Government stated that land will be provided to construction agencies shortly.

### 10.3 Time and Cost overrun

Memorandum of Understanding (MoU) should contain specific and unambiguous conditions regarding time schedule, payment schedule, liquidated damages etc., so that the construction work are completed within the prescribed time limit and cost overrun avoided.

Scrutiny of records revealed that the cost clause was open ended in MOUs. As per this clause, the ceiling cost of the Project was to be decided as per the existing Plinth Area Rate of *Lok Nirman Vibhag* of the Government (SoR) subject to its revision from the time to time. Executing agencies demanded frequent cost revisions under this open ended clause. Whenever, the revision of rates were made in SoR, it was noticed that the Department allowed the revision of rates, which was irregular.

This resulted in cost overrun of ₹ 149.54 crore (*Appendix 10.3 & 10.4*) in respect of 241 works as detailed in table below:

**Table 10.5: Details showing cost overrun sanctioned**

(₹ in crore)

	Number of works	Sanctioned cost	Revised sanctioned cost	Cost overrun
Completed	119	127.95	164.59	36.64
Incomplete	122	253.46	366.36	112.90
<b>Total</b>	<b>241</b>	<b>381.41</b>	<b>530.95</b>	<b>149.54</b>

(Source: Police Headquarters Allahabad)

In reply, the Government stated (February 2017) that in the cases, where the time and cost overrun came into notice, levy of penalty/liquidated damages on the construction agencies is in process. The reply of the Government was not acceptable as penalty/liquidated damages have not been imposed in any case in the period of five years (2011-16).

### 10.4 Vetting of estimates by PHQ

GoUP sanctions works on proposals sent by PHQ. All the DPRs/estimates prepared by the construction agencies (PSUs) for construction works of police department were vetted and scrutinised by PHQ before recommending the case to GoUP for sanction of works.



GoUP sanctioned (March 2015) a project of construction of PHQ building at Lucknow for ₹ 684.45 crore on recommendation of PHQ (₹ 696.31 crore) based on estimate (₹ 776.64 crore) submitted by UPRNN (December 2014) and released ₹ 42.50 crore to UPRNN to commence the work.


Tender was invited by UPRNN for works (₹ 640.95 crore) in March 2015, M/s Larsen & Toubro Ltd, Mumbai (L&T) was the lowest tenderer at the premium of 19.95 per cent above the estimated cost. Consultants<sup>29</sup> examined the rate quoted by L&T and recommended acceptance of the bid up to the work cost of ₹ 731.60 crore (₹ 772.57 crore including service tax). After negotiation, L&T revised (August 2015) its rate to ₹ 757.29 crore including service tax (12.58 per cent above). It was however, noticed that against the cost of ₹ 757.29 crore accepted by L&T, UPRNN sent a revised cost estimate to Government at a higher rate of ₹ 761.99 crore, due to incorrect adoption of the rate quoted by L&T (basic cost and also service tax).

It was also noticed that the total cost of the project submitted to Government was ₹ 826.32 crore taking into account various other factors as shown below.

**Table 10.6: calculation sheet of revised cost of the project**

(₹ in lakh)

<b>U.P. RAJKIYA NIRMAN NIGAM LTD.</b>					
<b>LUCKNOW</b>					
<b>ABSTRACT OF COST</b>					
<b>Name of work:- Police Bhawan (Signature Building) Gomtinagar, Lucknow</b>					
S.No.	Particulars	Amount as per P.F.A.D (In Lacs)	Revised cost as per DPR (In Lacs)	Revised Project cost as per Tender of M/s L& T	Revised project cost calculated by Audit
1-	Estimated Cost for Construction works	64094.60	73160.35	72157.70	72,157.70
2-	Add Service Tax 5.6% on Sl.1	--	4096.98	4040.83	4,040.83
	<b>Total</b>	<b>64094.60</b>	<b>77257.33</b>	<b>76198.53</b>	<b>76,198.53</b>
3-	Add 2% Contingency on Sl.1	1281.89	1463.21	1443.15	1,443.15
4-	Add 1.5% fees for Third Party Quality Control consultant on Sl.1	980.65	980.65	980.65	980.65
	Add 1.5% fees for Architectural consultant on Sl.1	980.65	980.65	980.65	980.65
5-	Add 1% fees for UPRNN Ltd (Implementing Agency) on Sl.1	653.76	653.76	653.76	653.76
	Add labour cess 1%	653.76	731.60	721.58	721.58
6-	Add for VAT 0.5%	--	365.80	360.79	360.79
7-	Add of External Electric Connection	300.00	300.00	300.00	300.00
8-	<b>Grand Total</b>	<b>68945.31</b>	<b>82733.00</b>	<b>82631.95</b>	<b>81,639.11</b>
9-	Nett. Increasing cost to be sanctioned.	--	14261.46	13686.64	

  
 (मनीन्द्र श्रीवास्तव)  
 इकाई प्रभारी  
 उ०म० राजकीय निर्माण निगम लि०  
 इकाई-21 लखनऊ

<sup>29</sup> M/s Stup Consultants, New Mumbai and M/s Data Technosys (Engineers) Pvt. Ltd, Lucknow.

It may be noticed from the above calculation sheet that as against ₹ 816.39 crore, UPRNN worked out the revised cost as ₹ 826.32 crore which was incorrect. Consultants, UPRNN, PHQ and the Government failed to notice error in the proposal.

It was also noticed in audit that an amount of ₹ 14.43 crore was provided for in estimate as contingency charges at the rate of two *per cent*, which was to be utilised by the RNN. This was contrary to the Government order, which provided that executing agency was eligible for payment of only one *per cent* including service tax for estimation, inspection and supervision, quality control etc.

It indicates that the estimates were not properly checked/vetted at department level, despite having an established engineering wing at PHQ headed by an Executive Engineer.

In reply, the Government stated that rectification will be made by modifying the sanction order and payment will not be made to agency. Action will be taken on the suggestions/objection made by the audit.

### 10.5 Administrative buildings of Police Stations and Police Posts

Construction of Police Stations (PS) and Police Posts (PP) is very crucial for maintenance of Law and Order and, therefore, development of this infrastructure was one of the important focus areas of police modernisation.

#### 10.5.1 Number of functional Police Stations and shortage

Police Commission (1960-61) recommended one PS per 50,000 population in urban areas and 75,000 to 90,000 population in rural areas. Number of PSs required as per this norm and actual number of functional PSs are given in table below:

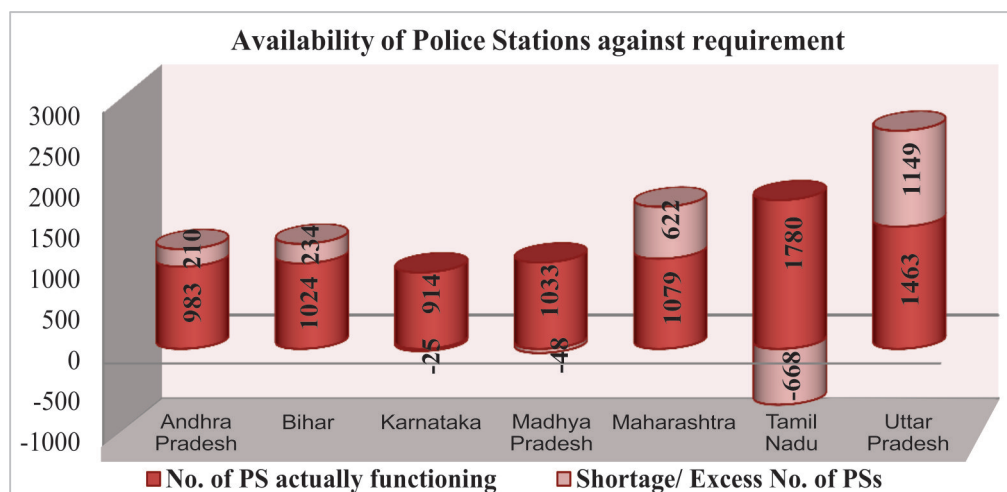
**Table 10.7: Shortage of Police Stations**

Category of population	Population (crore)	Norms of PS (1 PS @)	Required No. of PS as per norms	Actually functional	Shortage of PS (%)
Rural	15.53	90,000	1,725	1,023	702 (41)
Urban	4.45	50,000	890	437	453 (51)
<b>Total</b>	<b>19.98</b>		<b>2,615</b>	<b>1,460</b>	<b>1,155 (44)</b>

(Source: Police Headquarters Allahabad, Census data 2011)

Thus State has only 1,460 Police Stations and there is a shortage of 1,155 PS (44 *per cent*), with rural areas having shortage of 41 *per cent* PSs and urban areas having a shortage of 51 *per cent* police stations.

Position in other major states is depicted in graph below:



It is evident from the above chart that Tamil Nadu, Madhya Pradesh and Karnataka have achieved the norms set in 1960-61. Among the major States in India, UP is the worst in achievement of these norms.

In reply, the Government did not offer any comments to the audit observation.

### 10.5.2 Construction of Police Stations and Police Post buildings

Scrutiny of records revealed that out of 1460 functional PSs, 190 PSs/PPs were running in rented buildings. So it has required that their own buildings be constructed.

- GoUP sanctioned only 107 administrative buildings for PSs including 11 for woman police stations and 27 Police Posts during 2003-16 at a cost of ₹ 168.26 crore, out of which 99 buildings sanctioned during 2003-15 were required to be completed up to March 2016. Only 50 buildings (51 *per cent*) including eight woman police stations and 17 Police Posts were completed as of March 2016 by incurring an expenditure of ₹ 57.71 crore;
- 33 buildings including two woman police station and six Police Posts sanctioned up to March 2015 with sanctioned cost of ₹ 65.47 crore were still under construction after incurring an expenditure of ₹ 31.85 crore; and
- 16 buildings including three PP buildings sanctioned during 2007-15 costing ₹ 30.87 crore were yet to start construction (March 2016) (*Appendix 10.5*).

Hence, there were delays in construction of PSs buildings.

In reply, the Government did not offer any comments on the audit observation.

### 10.6 Construction of Barracks

GoUP sanctioned 315 barracks at a cost of ₹ 233.74 crore during 2003-16 including 148 barracks costing ₹ 45.17 crore for woman constables as detailed in table below:

**Table 10.8: No. of sanctioned number of barracks and progress**

Year	Barracks sanctioned		Complete		Incomplete		Zero progress	
	Total	Woman	Total	Woman	Total	Woman	Total	Woman
2003-04	1	0	1	0	0	0	0	0
2005-06	2	0	0	0	2	0	0	0
2009-10	2	0	1	0	1	0	0	0
2010-11	5	0	4	0	1	0	0	0
2011-12	132	0	108	0	24	0	0	0
2012-13	10	0	8	0	2	0	0	0
2013-14	6	0	4	0	1	0	1	0
2014-15	91	87	4	4	3	0	84	83
2015-16	66	61	0	0	0	0	66	61
<b>Total</b>	<b>315</b>	<b>148</b>	<b>130</b>	<b>4</b>	<b>34</b>	<b>0</b>	<b>151</b>	<b>144</b>

(Source: Police Headquarters Allahabad)

Audit observed that:

- No barracks for woman constables were sanctioned up to 2013-14; and
- Out of 249 barracks sanctioned up to 2014-15, only 130 barracks (52 per cent) including four woman barracks were completed (March 2016) by incurring an expenditure of ₹ 118.00 crore though ₹ 226.29 crore (97 per cent) were released to construction agencies against the total sanctioned cost of ₹ 233.74 crore (**Appendix 10.6**).
- Progress of construction of 151 barracks was nil, out of which 144 were woman barracks for which total sanctioned amount ₹ 45.17 crore was released to construction agencies and was lying in the bank accounts of the agencies as discussed in paragraph 10.2.2.2

In reply, the Government did not offer any comments on the audit observation.

**10.7 Residential infrastructure**

Availability of residential buildings for police personnel was most crucial and important for effective performance of their duties. BPR&D in its five-year projection on modernization and up-gradation of police infrastructure was of the view (March 2000) that the performance of the police was better in states where accommodation was available in large numbers. The national police commission also recommended 100 per cent accommodation for all police personnel.

### 10.7.1 Shortage of residential accommodation

There is an acute shortage of residential accommodation in all categories despite the fact that this requirement has been assessed on the basis of present working manpower (49 *per cent* of sanctioned strength) in state police force instead of sanctioned strength.



**Residential Building under Construction**

Audit observed that there was a shortage of 59,453 (48 *per cent*) residential quarters against the requirement of 1,25,998 residential quarters and shortage of barracks for 18,259 personnel (26 *per cent*) against the requirement of barracks for 68,874 personnel as on 31.03.2015 (*Appendix 10.7*).

Further, scrutiny revealed that the PHQ submitted that total available quarters in the State were 66,545 upto March 2015 including 2176 quarters in progress and 842 quarters not yet started. However, audit scrutiny revealed that this figures included residences sanctioned.

In reply, the Government did not offer any comments on the audit observation.

### 10.7.2 Number of units constructed

The State Government sanctioned only 5,156 residential quarters<sup>30</sup> (09 *per cent* of the requirement) of residences during 1998-2016 against the total requirement of 59,453 residential quarters of Type-I, II and III as detailed in table below:

**Table 10.9: Residential units sanctioned, completed and in progress**

Year	Requirement as on 31.03.2015 (Type-I, II & III)	Sanctioned in respective year	Completed as on 31.03.2016	In progress	Yet to be commenced
Up to 2010-11	<b>59,453</b>	1,792	460	1,325	07
2011-12		796	637	159	0
2012-13		852	655	197	0
2013-14		451	156	233	62
2014-15		1,234	230	262	742
2015-16		31	0	0	31
<b>Total</b>			<b>5,156</b>	<b>2,138</b>	<b>2,176</b>

(Source: Police Headquarters Allahabad)

Only 460 units (26 *per cent*) were completed (March 2016) out of 1,792 units sanctioned during 1998-2011 and 1,332 units of residences were still incomplete (March 2016) even after lapse of a period of five to 18 years since their sanction.

<sup>30</sup> Type I:3120, Type II:1286 and Type III: 750.

In test-checked districts, the availabilities of residential houses were only 5,729 (14 *per cent*) against the available manpower of 42007. Further, the position of residential houses in test-checked police stations was also similar with availability of only 22 *per cent* (817 against the available manpower of 3,604); housing to police personnel. Availability of housing in test-checked districts and police stations are given in (*Appendices 10.8 & 10.9*). The condition of the houses was also not satisfactory as given in pictures below.



*Dilapidated condition of residences at Police Station, Bithur Kanpur*

*Dilapidated condition of residences at Police Station, Kanth, Shahjahanpur*

In reply, the Government did not offer any comments on audit observations.

***Recommendations:***

- *Shortages in residences should be minimised by speedy construction of residential buildings and barracks.*
- *Government should clearly indicate timelines for completion of projects in all sanctions issued by it for execution of works to facilitate monitoring and avoid time and cost over runs.*
- *MoUs should be signed with construction agencies without any delay incorporating all important conditions such as timely execution of works, adhering to quality standards and imposition of liquidated damages at the rate of 10 per cent in case of delay and imposition of penalty in case of sub-standard quality of construction.*
- *Pace of construction works should be closely monitored and action should be taken against defaulting construction agencies by imposing liquidated damages as per MoU conditions to minimise time overruns.*
- *Since timely completion of works needs to be accorded top priority, the State government should immediately stop the practice of awarding works on nomination basis, which is not competitive and transparent.*
- *Advances given to the contractors/construction agencies not exceed the financial limits prescribed in UP PWD model bid documents. Advances should always be secured and recovery should be time based and not linked with the progress of work. Receipt and utilization of advances should be monitored through Escrow accounts, to be opened by the construction agency receiving the advance. Advances, if not secured against material brought at site, should be interest bearing.*