CHAPTER III : PERFORMANCE REVIEWS

HEALTH AND FAMILY WELFARE DEPARTMENT

3.1 Rural Health Services in Meghalaya

Highlights

The delivery of primary health care is the foundation of rural health care services. In accordance with the National Health Policy, priority was to be given by the State for extension, expansion and consolidation of rural health infrastructure. Failure of the department in establishment of even one Health Sub-Centre (HSC) during 1999-2004, which is the basic contact point between the primary health care system and the community, was indicative of the fact that expansion of rural health infrastructure did not get priority in the State.

There are only 408 HSCs against the requirement of 618 HSCs in the State.

(Paragraph 3.1.6)

Twenty-five health centres (HSC: 1; Public Health Centre: 19; Community Health Centre (CHC): 5) could not be made functional despite construction (September 1993 to August 2002) of buildings at a cost of Rs.15.22 crore. Hospital equipment and furniture worth Rs.1.62 crore purchased between March 1997 and March 2003 for 21 health centres were lying unutilised.

(Paragraph 3.1.8)

Patients of the rural areas were deprived of the benefit of better health care services due to the X-ray machines in 12 CHCs not working despite expenditure of Rs.93 lakh incurred on purchase of these machines.

(Paragraph 3.1.9)

Nine ambulances purchased at a cost of Rs.37.05 lakh were not allotted to the rural health centres. Consequently, mobile facility was denied to the targeted populace.

(Paragraph 3.1.10)

District Medical and Health Officers of seven districts incurred extra expenditure of Rs.28.30 lakh on purchase of medicines at higher rates.

(Paragraph 3.1.11)

3.1.1 Introduction

The delivery of primary health care is the foundation of rural health care system and forms an integral part of the national health care system. In accordance with the National Health Policy which called for 'Health for All by 2000 AD', priority was given in the State for extension, expansion and consolidation of rural health infrastructure like Health Sub-Centre (HSC), Primary Health Centre (PHC) and Community Health Centre (CHC).

The three tier health implementation programming was based on rural population norms. According to Government of India's norms, in hilly and tribal areas, HSC was to be established for every 3,000 population, PHC for 20,000 and CHC for 80,000 population. Each PHC with four to six beds and a medical officer was to serve as a referral institution for six HSCs. Similarly, each CHC with 30 beds and four medical specialists and other ancillary staff was to serve as a referral institution for four PHCs.

3.1.2 Organisational set up

The Director of Health Services, Medical Institutes (DHS, MI) is the overall in-charge of rural health services. The District Medical and Health Officers (DM&HO) supervise the implementation of rural health services through HSC, PHC and CHC at district level.

3.1.3 Audit coverage

Review on the activities of rural health services in the State during 1993-94 to 1996-97 was included as Paragraph 3.13.6 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1997 relating to Government of Meghalaya.

Activities of rural health services in the State during 1999-2000 to 2003-04 were reviewed in audit through test-check (April – July 2004) of records of the DHS (MI) and DM&HOs of three districts, *viz*., East Khasi Hills, Jaintia Hills

and West Garo Hills, out of seven districts covering 31 *per cent* (Rs.57.47 crore) of the total expenditure of Rs.184.06 crore during the period. Results of the review are discussed in the succeeding paragraphs.

3.1.4 Financial management

The budget provision *vis-à-vis* expenditure for the five year period ending March 2004 were as under:

Table 3.1

(Rupees in crore)

Year	Budget provision (Final grant)		Expenditure as per accounts of the Accountant General (Accounts & Entitlement)		Savings (-)/ Excess (+) with reference to columns 2 & 4 and 3 & 5 (Percentage)	
	Revenue	Capital	Revenue	Capital	Revenue	Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1999-2000	26.43	10.42	25.68	10.33	(-) 0.75 (3)	(-) 0.09 (0.86)
2000-01	30.71	8.35	27.05	8.49	(-) 3.66 (12)	(+) 0.14 (2)
2001-02	33.17	7.00	29.26	7.83	(-) 3.91 (12)	(+) 0.83 (12)
2002-03	34.05	7.10	30.72	5.86	(-) 3.33 (10)	(-) 1.24 (17)
2003-04	34.00	5.68	33.13	5.71	(-) 0.87 (3)	(+) 0.03 (0.53)
Total	**158.36**	**38.55**	**145.84**	**38.22**		

Source: Appropriation and Finance Accounts.

The following shortcomings were noticed:

(i) Of the total expenditure of Rs.184.06 crore during 1999-2004, only Rs.38.22 crore (21 *per cent*) was capital expenditure. The decrease in capital expenditure over the five year period indicated slow pace of infrastructure development under the scheme.

(ii) Against Rs.145.84 crore and Rs.38.22 crore reflected in the accounts of the Accountant General (Accounts & Entitlement) as expenditure under revenue and capital respectively under rural health services during 1999-2004, the corresponding figures according to the department were Rs.153.79 crore and Rs.38.24 crore. This was because no reconciliation of expenditure was

carried out by the DHS (MI) with the Accountant General (Accounts & Entitlement).

Implementation

3.1.5 Establishment of rural health centres - Target and achievement

The achievements *vis-a-vis* targets in the establishment of HSC, PHC and CHC during five years ending March 2004 were as under:

Table 3.2

	HSC	PHC	CHC
	(in number)		
Target during 1999-2004	121	30	46
Achievement during the period	Nil	2	4
Shortfall	121	28	42
Percentage of shortfall	100	93	91

Source: Information furnished by the DHS (MI).

The above table shows that during 1999-2004 the department failed to establish even one of the targeted HSC which is the basic contact point between the primary health care system and the community. The achievement in establishment of PHC and CHC during the period was also nominal (seven and nine *per cent*). According to the DHS (MI) (October 2004) the shortfall was due to lack of water supply, electricity and manpower. The fact remains that expansion of rural health infrastructure did not get priority in the State.

3.1.6 Coverage of rural population

District-wise rural population and the number of HSC, PHC and CHC functioning in the State as of March 2004 are shown in Appendix XIX.

This shows significant shortfall in coverage of rural population by health care services in different districts, which ranged between 8 and 63 *per cent*. The overall position of the State shows shortfall in opening of HSCs inasmuch as against the requirement of 618 HSCs for 18.54 lakh rural population, actual

number of functional HSCs as of March 2004 was 408. Against the ratio of 6:1 in the establishment of HSC to PHC as prescribed by Government of India, the actual ratio was 4:1, as there were only 408 HSCs and 94 PHCs in the State as against the requirement of 618 HSCs.

The position of PHCs and CHCs functioning in different districts was also lopsided. While in five districts, eight PHCs and four CHCs were functioning in excess of norm fixed by Government of India, in an even number of districts, there was shortfall of seven PHCs and five CHCs[(a)].

3.1.7 Poor outturn of patients

The PHCs and CHCs were established to provide health care facilities to both indoor and outdoor patients. The position of indoor patients admitted in the PHCs/CHCs of three test-checked districts during 1999-2004 is as under:

Table 3.3

District	Health centre	Functional PHCs/CHCs as of March 2004	Number of PHC/CHC where indoor patients admitted during 1999-2004	Minimum beds in the PHCs/CHCs mentioned under column 4 during a year as per norms	Average number of patients admitted during a year (Percentage)	Shortfall with reference to column 5 (Percentage)	Number of PHC/CHC where no patient was admitted during 1999-2004
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
East Khasi Hills	PHC	19	8	11,680	142 (1)	11,538 (99)	11
	CHC	2	2	21,900	823 (4)	21,077 (96)	…
West Garo Hills	PHC	18	12	17,520	2,106 (12)	15,414 (88)	6
	CHC	5	5	54,750	3,479 (6)	51,271 (94)	…
Jaintia Hills	PHC	17	1	1,460	164 (11)	1,296 (89)	16
	CHC	4	2	21,900	1,225 (6)	20,675 (94)	2

Source: Information furnished by the concerned DM&HOs.

The table above shows significant shortfall in treatment of indoor patients in the PHCs/CHCs. While in 21 PHCs, the average indoor patients ranged between 1 and 12 *per cent* in a year, in nine CHCs the percentage ranged between 4 and 6. In the remaining functional PHCs (33) and CHCs (two), not a single patient was admitted during 1999-2004.

(a) Excess: PHC – Jaintia Hills: 3; East Garo Hills: 3; South Garo Hills: 2.
CHC – West Khasi Hills: 1; Ri-Bhoi: 2; Jaintia Hills: 1.

Shortfall: PHC – Ri-Bhoi: 1; West Khasi Hills: 1; West Garo Hills: 5.
CHC – East Khasi Hills: 3; East Garo Hills: 1; West Garo Hills: 1.

According to the DM&HOs of the concerned districts inadequate staffing pattern, shortage of doctors, inadequate supply of water, power, *etc.* were the reasons for poor outturn of indoor patients. This indicated that the department failed to provide basic infrastructure to the PHCs/CHCs thereby depriving the rural population of the benefit of indoor treatment facilities despite expenditure of Rs.31.22 lakh incurred on procurement of hospital furniture, bed sheet, bed cover, *etc.* for the 33 PHCs and two CHCs where no patients were admitted.

The outturn of outdoor patients was also not encouraging because in eight PHCs of two test-checked districts[(b)], the number of outdoor patients on an average was even less than 20 a day during 1999-2004 (considering 310 days per annum).

3.1.8 Unfruitful expenditure on construction of health centres

From the details furnished by the DHS (MI) and the DM&HO, West Garo Hills it was noticed that as of March 2004, 32 health centres (PHC: 22; CHC: 6; HSC: 4) were not functioning in the State. Of this, 25 centres (PHC: 19; CHC: 5; HSC: 1) remained inoperative even after one to 10 years of construction of buildings for the centres (between September 1993 and August 2002) at a cost of Rs.15.22 crore (details in Appendix XX). For the remaining seven centres (PHC: 3; CHC: 1; HSC: 3), either the date of completion of construction of the buildings or the expenditure incurred on construction had not been furnished.

Audit scrutiny further revealed the following:

(i) Between March 1997 and March 2003, the DHS (MI) purchased hospital equipment and furniture valued at Rs.1.62 crore for use in 21 non-functional PHCs (15) and CHCs (six). Consequently, these articles were lying unutilised in the stores of the concerned DM&HOs. Thus, purchase of these articles far in advance of actual requirement not only resulted in idle investment of Rs.1.62 crore but was also fraught with the risk of damage/deterioration due to prolonged storage.

(ii) In three of the non-functional PHCs, para-medical and other staff were posted by the DHS during January 2001 to May 2003. Since the PHCs were not functioning, the staff remained idle resulting in wasteful expenditure of Rs.12.27 lakh incurred on payment of their basic pay alone till March 2004. Reasons for unnecessary deployment of staff were not on record. Information regarding posting of staff in the remaining 29 health centres had not been furnished (November 2004).

[(b)] Jaintia Hills and West Garo Hills.

The DHS (MI) stated (June 2004) that the health centres could not be made functional because of shortage of funds and manpower. The fact remains that failure in utilisation of the buildings not only resulted in unfruitful expenditure of Rs.15.22 crore but also deprived at least 7.83 lakh of rural population of the benefit of health care services.

3.1.9 Unproductive expenditure on purchase of X-ray machines

Between August 1998 and March 2000, the DHS (MI) purchased 18 X-ray machines at a cost of Rs.1.40 crore for 18 CHCs. Out of this, 12 machines (cost: Rs.93 lakh) could not be made functional even after four to five years (March 2004). Although a mention in this regard was made in Paragraph 3.7 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 2002 relating to Government of Meghalaya, no effective steps had yet been taken by the department for utilisation of the machines.

Thus, failure of the DHS to make the machines functional in 12 CHCs, deprived patients of the rural areas of the benefit of better health care services despite expenditure of Rs.93 lakh.

3.1.10 Irregular allotment/retention of ambulance

To provide basic mobile facility to the rural health centres, the DHS (MI) purchased (between July 2001 and August 2002) 36 ambulances at a cost of Rs.1.49 crore. Of this, nine ambulances were either retained by the DHS (MI) or allotted to non-entitled agencies[(c)] instead of allotting the same to the concerned PHCs/CHCs. Consequently, the mobile facility was denied to the targeted populace despite expenditure of Rs.37.05 lakh incurred on purchase of these nine ambulances. Reasons for irregular retention/allotment of ambulances were not on record.

3.1.11 Extra expenditure on procurement of medicines at higher rates

According to the instructions (July 2001) of the DHS (MI), medicines were to be procured on the basis of the lowest rates from the manufacturers approved (July 2001) by the State Purchase Board.

Between 2001-02 and 2003-04, the DM&HOs of seven districts incurred expenditure of Rs.61.13 lakh on purchase of various medicines[(d)] despite

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(c) One retained by the DHS (MI), one each allotted to Civil Hospitals, Jowai and Tura, School Health Services, Shillong, former Minister, Health & Family Welfare, DM&HOs of West Garo Hills, Jaintia Hills and two to the DM&HO, Shillong.

(d) Gesic tablets, Tribid tablets, Uronor TZ tablets, Uronor 400 mg tablets, Cumox, Nimesulide Suspension, Nimurex, Ampicillin 250 mg capsules, Amoxycillin 250 mg capsules and Ceepro 500 mg tablets.

availability of medicines having same composition with other approved manufacturers at much lower rates (total cost: Rs.32.83 lakh). This led to an extra expenditure of Rs.28.30 lakh. Reasons for purchase of medicines at higher rates in contravention of the instruction of the DHS (MI) were not on record.

3.1.12 Injudicious deployment of manpower

From the details furnished by three test-checked districts (East Khasi Hills, West Garo Hills and Jaintia Hills) it was noticed that 19 staff of different categories were entertained in the functional PHCs and CHCs of these districts without providing infrastructure required for rendering services by them, as detailed below:

- Four dental surgeons were engaged in two PHCs and two CHCs without providing dental equipment;

- Nine radiographers were engaged in eight CHCs and one PHC where X-ray machines were either not provided or the machines were not functioning;

- Although no diet was supplied to the indoor patients of four PHCs and two CHCs since their inception, six cooks were engaged in these health centres.

Thus, due to injudicious deployment, the staff remained idle resulting in infructuous expenditure of Rs.21.37 lakh incurred on their basic pay alone during 1999-2004 (details in Appendix XXI). Reasons for the same were not on record.

3.1.13 Irrational utilisation of manpower

According to norm fixed by Government of India, 15 and 25 medical, para-medical and other staff are required for each PHC and CHC respectively. Contrary to this, the DM&HOs of three districts (East Khasi Hills, West Garo Hills and Jaintia Hills) entertained 2 to 18 staff in excess of actual requirement in eight PHCs and seven CHCs. In contrast, men in position in 24 PHCs and five CHCs were less (one to nine staff) than the prescribed norm. Reasons for such irrational engagement of staff were not on record. No action was initiated for diverting the excess staff to the deficient centres. Thus, lack of manpower planning rendered the rural health delivery system only partially functional.

3.1.14 Monitoring and evaluation

Successful implementation of the schemes depends upon proper monitoring and evaluation. But monitoring and evaluation of the scheme to assess the overall impact of rural health services in the State were never carried out by the DHS (MI).

3.1.15 The matter was reported to Government in August 2004 and followed up with a reminder in November 2004; reply had not been received (November 2004).

3.1.16 Recommendations

On the basis of shortcomings and deficiencies pointed out in the foregoing paragraphs, the following recommendations are made for streamlining the system of the health care services:

- HSCs need to be established according to the prescribed norm to provide proper health care services to the rural populace.

- Functioning of the health care centres needs to be streamlined to achieve the desired objectives.

- Prescribed norms should be strictly adhered to in deployment of staff to avoid unnecessary expenditure on excess/idle staff.

PUBLIC HEALTH ENGINEERING DEPARTMENT

3.2 Working of Public Health Engineering Department

Highlights

The Public Health Engineering Department (PHE) is responsible for providing safe drinking water and sanitary facilities to the urban and rural population of the State. A review of the working of the department revealed significant shortfall (26 per cent) in coverage of habitations with drinking water during 1999-2000 to 2003-04.

The department failed to utilise 24 to 44 *per cent* of funds available during 1999-2000 and 2002-2004 under the Accelerated Rural Water Supply Programme thereby depriving the people of the benefit of safe drinking water.

(Paragraph 3.2.6)

Expenditure of Rs.7.38 crore up to March 2004 incurred on 40 rural water supply schemes had become unproductive, since these schemes remained incomplete for period ranging from one to three years.

(Paragraph 3.2.9)

Resubelpara Civil Sub-Division complex and enroute villages water supply scheme, scheduled to be completed by March 2000, remained incomplete even after four years despite expenditure of Rs.2.95 crore thereby denying the targeted population of safe drinking water.

(Paragraph 3.2.10)

Supply of safe potable water to the populace was not ensured because of inadequate testing of required samples of water in the laboratories established at a cost of Rs.11.99 lakh.

(Paragraph 3.2.13)

3.2.1 Introduction

The Public Health Engineering Department (PHED) is responsible for providing adequate safe drinking water and sanitation facilities to the urban and rural population as well as operation and maintenance of the completed schemes under the department. The water supply schemes are executed under (i) Minimum Needs Programme (MNP), (ii) Accelerated Rural Water Supply Programme (ARWSP) and (iii) Accelerated Urban Water Supply Programme (AUWSP).

3.2.2 Organisational set up

Under the administrative control of the Principal Secretary, PHED, the Chief Engineer (CE), PHED was responsible for planning and execution of water supply schemes and to provide sanitary facilities. At the State level, the CE was assisted by three Additional CEs (Zone I, II & Sanitation Cell), one Deputy CE, four Superintending Engineers (Rural, Greater Shillong, Electrical and Tura Circles) four Executive Engineers (Planning & Design Cell, Resource Management, Investigation & Planning and Monitoring Cell), one Executive Director, one Deputy Director and one Manager in Human Resource Development/Information, Education & Communication Cell. At the district level, the schemes were implemented by 16 Executive Engineers (EE) spread over in seven districts of the State.

3.2.3 Audit coverage

Functioning of the department was reviewed in audit through test-check (April-July 2004) of records of six[(a)] out of 16 divisions in four districts (East and West Khasi Hills, East and West Garo Hills) as well as the Chief Engineer's office for the period from 1999-2000 to 2003-04 covering 38 *per cent* (Rs. 177.24 crore) of the total expenditure of Rs.460.92 crore during the period. Results of the review are discussed in the succeeding paragraphs.

3.2.4 Planning

The works programme for completion of water supply schemes during 1999-2000 to 2003-04 as framed by the department, budget provision, number of new works sanctioned, *etc.* were as under:

[(a)] (i) Hills Division, Shillong, (ii) Nongstoin Division, (iii) Mawkyrwat Division, (iv) Baghmara Division, (v) Tura Division and (vi) RWS Division, Resubelpara.

Table 3.4

(Rupees in crore)

Year	Number of incomplete schemes/ works at the commence-ment of the year	Amount required for completion of ongoing schemes/ works	Budget provision for water supply schemes	Shortfall in budget provision (Percen-tage)	Number of new schemes sanc-tioned	Amount sanc-tioned for new schemes	Number of schemes completed out of ongoing schemes	Number of schemes comple-ted out of new schemes	Number of incom-plete schemes at the end of the year
1999-2000	870	102.20	62.58	39.62 (39)	408	39.35	379	1	898
2000-01	898	105.89	60.24	45.65 (43)	299	63.49	397	1	799
2001-02	799	121.90	61.45	60.45 (50)	244	33.21	261	3	779
2002-03	779	103.31	82.10	21.21 (21)	354	34.64	216	6	911
2003-04	911	91.15	78.12	13.03 (14)	1549	110.18	311	361	1788
Total		**524.45**	**344.49**	**179.96 (34)**		**280.87**			

Source: Information furnished by the CE, PHED.

Despite shortfall in budget provision for completion of ongoing schemes/works, new schemes were sanctioned which not only placed a heavy burden on the resource position but also delayed the completion of the existing schemes.

Financial management

3.2.5 Budget provision and expenditure

The budget provision *vis-a-vis* expenditure during last five years ending March 2004 were as under:

Table 3.5

(Rupees in crore)

Year	Budget provision[(b)] (Amount surrendered)		Actual expenditure			Excess (+)/ Savings (-) (Percentage)		Expenditure during March (Percentage to total expenditure)	
	Revenue	Capital	Revenue	Capital	Total	Revenue	Capital	Revenue	Capital
1999-2000	39.58 (3.37)	73.68 (…)	34.86	38.83	73.69	(-) 4.72 (12)	(-) 34.85 (47)	8.09 (23)	17.90 (46)
2000-01	44.74 (6.18)	74.82 (21.53)	38.34	53.13	91.47	(-) 6.40 (14)	(-) 21.69 (29)	8.15 (21)	24.22 (46)
2001-02	47.60 (4.94)	74.75 (22.80)	41.65	52.13	93.78	(-) 5.95 (12)	(-) 22.62 (30)	8.02 (19)	17.31 (33)
2002-03	52.96 (7.40)	86.82 (36.07)	45.11	50.24	95.35	(-) 7.85 (15)	(-) 36.58 (42)	7.76 (17)	21.44 (43)
2003-04	48.54 (2.04)	88.92 (28.65)	46.59	60.04	106.63	(-) 1.95 (4)	(-) 28.88 (32)	7.55 (16)	30.23 (50)
Total	**233.42 (23.93)**	**398.99 (109.05)**	**206.55**	**254.37**	**460.92**	**(-) 26.87**	**(-) 144.62**		

Source : Appropriation Accounts and information furnished by the office of the Accountant General (A&E), Meghalaya, *etc*.

[(b)] Original plus Supplementary.

The following shortcomings were noticed:

(i) There were persistent savings in all the years 1999-2004. Wide variation between budget provisions and actual expenditure indicated flaws in the budgeting particularly under capital section during 1999-2000, 2002-03 and 2003-04 where the shortfall was more than 30 *per cent*.

(ii) Out of the total savings of Rs.171.49 crore during 1999-2004, Rs.132.98 crore only was surrendered during the period. The Chief Engineer (CE) did not surrender the remaining savings of Rs.38.51 crore to the Finance Department for utilisation of the same for other purposes, reasons for which had not been furnished.

(iii) Rush of expenditure at the close of the year can lead to infructuous, nugatory and ill-planned expenditure. During 1999-2004, there was endemic rush of expenditure in the month of March every year. While the revenue expenditure in March constituted 16 to 23 *per cent* of the total expenditure during the year, the percentage of capital expenditure varied between 33 and 50. Evidently, the expenditure of the department was not planned properly.

3.2.6 Unutilised funds and non-release of Central funds

(i) The allocation of Central assistance under the ARWSP was subject to matching provision under the State sector MNP. The expenditure under AUWSP was to be shared by the Government of India and the State Government in the ratio of 50:50. Details given in Appendix XXII shows that the Public Health Engineering Department failed to utilise 24 to 44 *per cent* of funds available under ARWSP during 1999-2000 and 2002-2004 against the permissible variation of up to 20 *per cent* fixed by Government of India. The unspent balance of funds under ARWSP and AUWSP as of March 2004 stood at Rs.9.85 crore and Rs.71.30 lakh respectively. Failure in utilisation of available funds deprived the people of safe drinking water due to non-completion/delay in completion of the water supply schemes.

(ii) Out of the Central assistance of Rs.22.14 crore under ARWSP for the year 2003-04, Rs.4.02 crore was not released by the Finance Department to the PHED, reasons for which were not on record.

3.2.7 Collection of water tax

The actual revenue realised from water tax *vis-à-vis* budgetary estimates during 1999-2000 to 2003-04 was as under:

Table 3.6

(Rupees in lakh)

Year	Estimate	Actual	Shortfall (Percentage)
1999-2000	28.00	20.88	7.12 (25)
2000-01	30.00	20.75	9.25 (31)
2001-02	32.00	25.53	6.47 (20)
2002-03	35.00	23.54	11.46 (33)
2003-04	37.00	27.88	9.12 (25)
Total	**162.00**	**118.58**	**43.42 (27)**

Source: Information furnished by the CE, PHED.

The details above would indicate that against Rs.1.62 crore targeted for collection of water tax during 1999-2000 to 2003-04, actual collection was Rs.1.19 crore. The shortfall in collection of water tax during the period ranged between 20 and 33 *per cent*, reasons for which were not on record. This was a reflection of the lack of monitoring at the Sub-division level in collection of water tax.

Implementation

3.2.8 Shortfall in achievement of target

The achievements in the coverage of habitations with drinking water during 1999-2000 to 2003-04 against the target fixed by Government of India on the basis of left out habitations in the State, both not covered (NC) and partially covered (PC) habitations, are as under:

Table 3.7

Year	Target habitation			Achievement habitation			Shortfall (-)/Excess (+)		
	Not covered (NC)	Partially covered (PC)	Total	NC to fully covered (FC)	PC to FC	Total	NC to FC	PC to FC	Total (*Per cent*)
1999-2000	270	280	550	119	222	341	(-) 151	(-) 58	(-) 209 (38)
2000-01	300	280	580	206	134	340	(-) 94	(-) 146	(-) 240 (41)
2001-02	240	200	440	203	112	315	(-) 37	(-) 88	(-) 125 (28)
2002-03	200	180	380	159	191	350	(-) 41	(+) 11	(-) 30 (8)
2003-04	184	196	380	171	198	369	(-) 13	(+) 2	(-) 11 (3)
Total	**1194**	**1136**	**2330**	**858**	**857**	**1715**	**(-) 336**	**(-) 279**	**(-) 615 (26)**

Source: Target fixed by Government of India and information furnished by the CE, PHED.

The above table shows that out of 2,330 habitations targeted for coverage during 1999-2000 to 2003-04, actual habitations covered were 1,715. The shortfall during 1999-2002 ranged between 28 and 41 *per cent*. According to the CE, PHED, the shortfall was due to delay in sanction of the schemes, inadequate funds and slow progress of works. Efforts made to overcome the constraints for achievement of the target had not been stated.

3.2.9 Incomplete water supply schemes

From the details furnished by the five out of six test-checked divisions, it was noticed that 40 rural water supply schemes (estimated to cost Rs.8.08 crore) under Baghmara, Resubelpara and Nongstoin Divisions, sanctioned during March 1999 to March 2002 and targeted for completion by March 2003, remained incomplete. The expenditure incurred was Rs.7.38 crore. The delay in completion of the works ranged between one and three years. Details of these incomplete schemes with reasons for delay in case of 33 schemes are given in Appendix XXIII. Reasons for failure in completion of the remaining seven schemes were not on record. Thus, the expenditure of Rs.7.38 crore on these incomplete schemes remained unproductive (March 2004). No information was furnished by Tura Division.

3.2.10 Unfruitful expenditure due to failure in completion of a water supply scheme

To provide safe drinking water to a population of 22,335 under MNP, the "Resubelpara Civil Sub-Division complex and enroute villages water supply scheme", estimated to cost Rs.3.86 crore, was administratively approved by the PHED in March 1997. The scheme was targeted for completion by March 2000.

According to the EE, Rural Water Supply (RWS) Division, Resubelpara, as of March 2004, the total expenditure on the scheme was Rs.2.95 crore. Of this, Rs.2.58 crore were spent (between October 1999 and December 2003) on procurement of materials (Rs.2.34 crore[(c)]) and vehicles, *etc.* (Rs.0.24 crore) leaving a meagre amount of Rs.0.37 crore for execution of work under the scheme. Evidently, the PHED concentrated mainly on purchase of materials instead of actual implementation of the scheme. Except three components (out of six main components[(d)]), *viz.*, construction of RCC weir, laying of 250 mm diameter mild steel (MS) gravity main and construction of simplified treatment plant, other components were not even taken up by the department

(c) MS Pipe 250 mm: 15,229.93 RM : Rs.171.41 lakh; MS Pipe 150 mm: 1050.04 RM: Rs.4.91 lakh; Cement – 650 tonnes: Rs.26.31 lakh; Torsteel rod: 91 tonnes: Rs.20.18 lakh; Torsteel rod and weir: Rs.5.39 lakh; Galvanised Iron (GI) Specials and fittings: Rs.5.37 lakh.

(d) Construction of (i) RCC weir, (ii) treatment plant, (iii) reservoirs, (iv) staff quarters and Laying of (v) MS gravity main and (vi) distribution system.

for execution till February 2004. The construction works of reservoirs were awarded recently during March to June 2004, after a delay of seven years of sanction of the scheme. Consequently, the scheme remained incomplete even after four years from the stipulated date of completion resulting in unfruitful expenditure of Rs.2.95 crore as the intended benefit could not be extended to the targeted populace.

Audit scrutiny further revealed the following irregularities:

(i) Idle investment on purchase of materials

Out of the procured materials worth Rs.2.34 crore (MS pipe, cement, torsteel rod and weir), materials worth Rs.1.32 crore (MS pipe 250 mm: 11,720 RM: Rs.130.64 lakh; cement: 35 tonnes: Rs.1.35 lakh; torsteel rod: 13 quintals: Rs.0.22 lakh) only was utilised by the executing division during March 2000 to September 2001 and the balance materials valued at Rs.1.02 crore were lying unutilised (July 2004). Even the unutilised quantities of cement and torsteel rods were not taken into site accounts and thus, remained unaccounted for as of June 2004. Reasons for prolonged storage of materials, particularly cement, which resulted in idle investment of Rs.1.02 crore, were not on record.

According to Cement Corporation of India, relative strength of cement is reduced by 30 and 50 *per cent* after storage of six months and two years respectively. The unusual action of the EE in retaining 615 tonnes of cement worth Rs.24.96 lakh for period ranging from seven months to over four years without any reason had not only reduced its relative strength but was also fraught with the risk of becoming unusable entailing loss to Government. Responsibility for the lapse had not been fixed.

(ii) Unproductive expenditure due to discontinuation of work by a contractor

The CE, PHED awarded (December 1999) three components of the scheme, *viz.*, construction of RCC weir, laying of 14,650 RM 250 mm diameter MS gravity main and construction of 1.65 MLD capacity simplified treatment plant, to a contractor at 27.7 to 69 *per cent* above the estimated cost (Rs.66.85 lakh), stipulating the date of completion as December 2000.

As of September 2001, the EE, RWS Division, Resubelpara paid Rs.37.44 lakh to the contractor for laying of 11,720 RM pipe till September 2001. Thereafter, the contractor discontinued the work, but the EE did not initiate any action to rescind the contract and to execute the remaining work at the risk and cost of the contractor as required under the agreement. Consequently, the works remained incomplete even after three years of stipulated date, rendering the entire expenditure of Rs.37.44 lakh unproductive.

3.2.11 Non-functional water supply schemes due to theft of pipes

Mention was made in Paragraph 4.4 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1998 regarding unproductive expenditure of Rs.72.11 lakh on water supply schemes due to frequent theft of GI pipes. Though the department informed the Public Accounts Committee (33rd Report of the Public Accounts Committee placed before the Assembly in June 2000) that constant vigil over the laid pipes was being maintained and a policy had been chalked out for transfer of completed scheme to village administration, stealing of laid pipes of the water supply schemes persisted, as discussed below.

Despite completion of work at a cost of Rs.38.11 lakh, eight water supply schemes under Nongstoin and Mawkyrwat Divisions failed to function because of theft of laid pipes worth Rs.4.39 lakh between May 2000 and July 2003 (details in Appendix XXIV). Reasons for not replacing the length of stolen pipes even after one to four years as well as for not taking effective measures to protect the laid pipes were not on record. Though the concerned divisions lodged First Information Reports with the Police during June 2000 to July 2003, outcome of Police investigation in all the cases was awaited (July 2004).

Thus, failure to keep the departmental material secured resulted in an unfruitful expenditure of Rs.38.11 lakh as the intended benefit of supply of safe drinking water could not be extended to the beneficiaries, besides loss of Rs.4.39 lakh being the value of stolen pipes.

3.2.12 Inventory of assets not maintained

A complete inventory of drinking water sources under different programmes like ARWSP, MNP, *etc*. giving date of start and completion of the project, cost of completion, depth in case of the spot sources, agency responsible for operation and maintenance and other relevant details was to be maintained by the department. Scrutiny of records of the test-checked divisions revealed that the divisions did not maintain inventory of assets despite CE's instructions of September 2003.

Quality of water

3.2.13 Inadequate testing of water

To ensure supply of safe potable water to the people, physio-chemical and bacteriological testing of water were to be carried out. Government of India released Rs.12 lakh in March 1997 (Rs.2 lakh) and February 1998 (Rs.10 lakh) to the State Government for setting up of six new district level water

testing laboratories in the State. Between June 1999 and July 2000, the PHED established six laboratories in six districts at a cost of Rs.11.99 lakh.

According to executive guidelines issued (January 1999) by the Government of India, the district level laboratory with six staff should analyse 6,000 samples in a year. Records relating to five test-checked laboratories showed that engagement of staff in these laboratories was far below the required strength. While in one laboratory, no regular staff was posted (one Junior Engineer was looking after the work of the laboratory), in the other four laboratories, men in position during 1999-2004 were one to three. During 1999-2000 to 2003-04, 1,640 samples were tested against the capacity of 1.50 lakh samples. Reasons for massive shortfall (99 *per cent*) in conducting the required test of water though not on record of the concerned divisions, absence of adequate staff was one of the factors responsible for such shortfall. Thus, the possibility of supplying contaminated water to the targeted population could not be ruled out.

3.2.14 Absence of community participation

To impart training at the grass root level, the National Human Resource Development Programme (NHRDP) was launched by Rajiv Gandhi National Drinking Water Mission (RGNDWM) in 1994. According to instructions of Government of India (February 2003), the Human Resource Development (HRD) activities were to be taken up fully by the State Government from April 2003.

As of March 2002, the PHED incurred expenditure of Rs.63.19 lakh under the HRD programme (Equipment: Rs.6.84 lakh; staff salary: Rs.41.28 lakh; training: Rs.15.07 lakh) against the available funds of Rs.64.68 lakh[(a)]. During 2002-03, no fund was released by Government of India for the HRD activities. According to the Executive Director, HRD Cell, between 1998-99 and 2001-02, the department imparted training (operation and maintenance of water supply schemes, preservation of water source and public health and sanitation) to 1,314 beneficiaries (including 10 sector professionals) against the target of 4,450 beneficiaries and 10 sector professionals. But the services of these trained personnel were not utilised for operation and maintenance of water supply schemes thereby defeating the purpose for which the training was imparted. Besides, the HRD activities had not been taken up by the State Government from April 2003 as required under Government of India's instructions of February 2003.

(a) Government of India: Rs.56.68 lakh released during 1995-96 (Rs.21.92 lakh) and 1999-2002 (Rs.34.76 lakh); State: Rs.8 lakh released during 1996-1998.

3.2.15 Information, Education and Communication

RGNDWM guidelines provided for creation of awareness on matters related to water borne disease manifestations and symptoms. Implementation of the Information, Education and Communication (IEC) programme in selected districts (East Khasi Hills and West Garo Hills) of the State was approved by the RGNDWM in March 1996 on a 50:50 cost share between Central and State Governments. According to instructions of Government of India (February 2003), the IEC activities were to be fully taken up by the State from April 2003.

As of March 2003, the PHED incurred expenditure of Rs.8.28 lakh for audio-video programme/films, printing works, *etc*. out of the funds of Rs.22.87 lakh released (January 1997) by the Government of India for the IEC project (cost: Rs.91.51 lakh). The State Government neither released its matching contribution nor appointed any staff either at State or district level for the IEC activities, reasons for which were not on record. Though the State Government was to take up IEC activities fully from April 2003, no expenditure was incurred under the programme during 2003-04. The unspent balance of Rs.14.59 lakh was still lying with the State Government.

Thus, the objective for creation of community awareness under the project remained to be achieved even after seven years of release of Central funds.

Material management

3.2.16 Surplus stock

Test-check of records of three divisions revealed that materials like GI pipes, water supply fittings, *etc*., valued at Rs.1.97 crore[(e)] were lying unutilised in stores of these divisions as of March 2004.

Prolonged storage could lead to deterioration of stores, but no effective steps were taken for disposal of these materials. Such inaction led to deterioration of materials worth Rs.24.60 lakh in the RWS Division inasmuch as the concerned EE sought (November 2003) approval of the Superintending Engineer, Tura for declaration of these materials as unserviceable. Again, in two divisions, water supply materials valued Rs.3.38 lakh (Tura: Rs.2.02 lakh;

(e)

Name of Division	Period of purchase	Value of materials as of March 2004 (Rupees in lakh)
(i) Tura	1977 to 1984 and 2000-2001	35.01
(ii) Hills, Shillong	1978 to 1997	76.09
(iii) RWS Division, Resubelpara	Prior to 1984	86.32
T o t a l		**197.42**

RWS Division: Rs.1.36 lakh) were purchased (December 2001 and 2002 and March 2004) despite availability of these materials in the concerned divisional stores.

Thus, procurement of materials without assessment of actual requirement not only resulted in idle investment of Government funds but was also fraught with the risk of theft or loss due to deterioration and obsolescence.

Manpower management

3.2.17 Sanctioned strength and men in position

According to the information furnished (May 2004) by the CE's office, the sanctioned strength *vis-à-vis* men in position of the PHED during 1999-2000 to 2003-04 were as indicated in Appendix XXV.

While the non-technical staff in position constituted 100 *per cent* of the total sanctioned strength during the period, the availability of technical staff directly linked with the implementation of the different water supply schemes was between 87 and 90 *per cent* of the total sanctioned strength.

3.2.18 Monitoring and evaluation

The implementation of the programmes was monitored only through the progress reports received from the executing divisions which were compiled by the Monitoring Cell in the office of the CE, PHED and submitted to the State Government as well as to the Government of India. No evaluation study had been conducted by the department to ensure supply of adequate safe drinking water to the rural and urban population.

3.2.19 The matter was reported to Government in August 2004 and followed up with a reminder in November 2004; reply had not been received (November 2004).

3.2.20 Recommendations

On the basis of shortcomings and deficiencies pointed out in the foregoing paragraphs, the following recommendations are made:

- Water supply schemes need to be undertaken after proper planning and investigation to avoid delay in completion.

- A system needs to be evolved to ensure that the benefit of the schemes percolate to the people it is intended for.

- The quality of potable water supplied needs to be ensured through proper testing of water.

- A complete inventory of drinking water sources under different programmes needs to be maintained.