

Planning and Financial Management



Chapter 2: Planning and Financial Management

Introduction

Planning involves defining annual/multi-year strategies, resources and actions that are required to be taken to achieve government's priorities within a given time frame by making optimum use of available resources and minimizing risks. It helps in giving right direction to the implementing agencies by providing performance measures to gauge progress and maintain control over execution of the programme in a time bound and cost effective manner. This becomes even more critical in multi-dimensional programmes/issues such as women empowerment, the implementation of which requires involvement of large number of departments and agencies.

Deficiencies noticed in the planning and financial management of the schemes covered under the performance audit are discussed below.

2.1 Planning

Assessment of requirement and providing adequate funding commitment through budgetary approvals is a key element of planning in any development programme. It also presupposes availability of adequate and reliable data for identification of beneficiaries and putting in place a proper institutional framework to coordinate and implement strategies for achievement of programme objectives in an efficient and optimal manner.

2.1.1 Absence of gender budgeting

As women face disparity in access to and control over services/resources and bulk of public expenditure has been in gender neutral sectors, a need was felt to promote women's equality and empowerment by introducing gender responsive budgeting in India.

Gender Budgeting (GB) is defined as the application of gender mainstreaming in the budgetary process. It encompasses a gender perspective at all levels and stages of the budgetary process and paves the way for translating the gender commitments to budgetary commitments. The gender budgeting is a means of ensuring that public resources are allocated in an equitable way so that most pressing needs of a specific gender groups are satisfied. It seeks to view the government budget from a gender perspective in an order to assess as to how it will address the different needs of women.

In 2004-05, the Ministry of Finance, GoI created an institutional mechanism for mainstreaming gender by mandating setting up of Gender Budgeting cells in all ministries/departments and prepare gender responsive budget. Ministry

of Finance, GoI issued a GB charter in March 2007 defining the roles and functions of Gender Budgeting cells which included identification of three to six largest programmes implemented by the ministry to conduct an analysis of gender issues addressed by them, suggesting policy interventions, organising training/capacity building, conducting performance audits, designating best practices etc.

The Ministry of Finance made it mandatory that gender outcomes form part of the outcome budget of the respective Departments/Ministries. The gender budgeting scheme of the Government encourages State Government and PRIs to evolve plans and strategies for undertaking gender budgeting by providing financial support, training etc.

The Government of Uttar Pradesh (GoUP) declared State Women Policy in 2006 for empowerment of women in which the principle of gender based budgeting was accepted for introduction from the year 2005-06. The main objective of gender budgeting was to make Government budget an effective medium for empowerment of Women in the State.

We in Audit observed (July 2015) that:

- Government of UP has not adopted the Gender Budgeting even after 10 years of declaration of the above policy in 2006 and was not maintaining gender based budget data/information about allocation and expenditure as of March 2015.
- GoUP has still not setup the necessary institutional mechanism viz., GB cells in various departments for formulation of gender based budget.
- Department of Finance has not prepared any time bound programme for implementation of gender budgeting in the State.

Due to non-implementation of gender based budgeting, gender perspective of budget allocation and expenditure in various Schemes covered under this performance audit could not be ascertained.

Failure of the State Government to implement such an important decision for women empowerment, even after 10 years of declaration of its commitments, is indicative of inadequate priority being accorded by the Government to issues related to women empowerment. In absence of GB, gender mainstreaming was not ensured in the State and gender differential impact of the budget could not be assessed.

Recommendation: The Government should take immediate steps to setup GB cells in all departments and implement gender based budgeting.

2.1.2 Gender segregated data for planning

For efficient planning of programmes related to women empowerment in sectors like health, nutrition, education, employment, skill development,

training, sanitation, social security, housing, law and order etc., gender segregated data must be systematically collected for proper need assessment and subsequent evaluation of government interventions through various schemes and programmes.

It was, however, noticed in the performance audit that gender segregated data was not maintained by implementing agencies and, therefore, proper identification of beneficiaries, accurate need assessment of financial and other support required, and setting realistic performance targets and goals was not feasible. For instance, in ICDS, GoI had directed maintenance of gender segregated data at Angan Wadi Centres' level. However, no such data was maintained at Directorate level and, therefore, it was difficult to plan women centric activities to cater to the specific needs of women and adolescent girls. The Directorate did not have authentic data on nutritional and anaemic status of girls and women, which deprived the department from preparing comprehensive plans to cater to their specific needs and reduce prevalence of anaemia and other deficiencies as discussed in *Paragraph 5.2*.

Recommendation: Gender segregated data should be maintained by the implementing agencies at all levels for proper planning and efficient implementation of the schemes and ensuring that the specific needs of women and girl child are taken care of adequately to minimise gender gap/disparities.

2.1.3 Identification of beneficiaries and other issues related to planning

Non-conduct of base line surveys, lack of proper identification of beneficiaries, and non-fixation of targets/goals result in deficient planning in terms of inadequate coverage, improper focus and unrealistic/inaccurate commitment of resources. Improper identification of beneficiaries leads to coverage of ineligible beneficiaries and exclusion of genuine beneficiaries. We during performance audit of *Kishori Shakti Yojna* noticed that over aged girls were granted benefits in violation of scheme guidelines. Further, targets were also not fixed in Family Planning Programme for use of spacing methods.

Lack of proper assessment/survey may result in non-coverage of areas with high concentration of target groups, as was reported in *Ujjawala* scheme in which districts bordering Nepal had not been covered for setting-up of *Ujjawala* homes for trafficked women despite these districts being transit points for trafficking of women as per the report of United Nations Office on Drugs and Crime (UNODC). Specific issues relating to deficient planning have been discussed in the respective Chapters under the relevant schemes.

2.2 Financial Management

During the year 2010-15 an amount of ₹ 25,408.86 crore was allocated/released by GoI/GoUP for the programmes/schemes/Acts¹ covered under the

¹PCPNDT, MTP, JSY, Family Planning, ICDS, KSY, Sabla, Ujjawala, Swadhar, ITP, IPC etc.

Performance Audit, against which an expenditure of ₹ 23,538.34 crore was incurred as detailed in table below:

Table 2.1: Details of Allotment/Expenditure under each Scheme

(₹ in crore)

Sl. No.	Name of Scheme	Allotment	Expenditure	Savings	Percentage savings
1.	PC-PNDT	7.09	3.86	3.23	46
2.	MTP	40.58	4.50	36.08	89
3.	JSY	2,380.11	2,196.56	183.55	08
4.	MDR	7.22	1.70	5.52	76
5.	Family Planning	380.57	194.67	185.90	49
6.	a. SNP	14,677.88	14,307.20	370.68	03
	b. ICDS-General	6,681.92	5,613.92	1,068.00	16
7.	KSY	32.42	11.69	20.73	64
8.	SABLA	1,190.34	1,196.50	0	0
9.	Uttar Pradesh Victim Compensation Scheme	2.00	0	2.00	100
10.	Ujjawala	0.66	0.56	0.10	15
11.	Swadhar Greh	8.07	7.18	0.89	11
Total		25,408.86	23,538.34	1,876.68	07

(Source: Data provided by concerned Departments)

It would be seen from the above table that in most of the schemes related to empowerment of women such as PC-PNDT, MTP, MDR, Family Planning, KSY and UPVCS, there were significant savings ranging from 46 to 100 *per cent*. The savings were mainly on account of poor implementation of the schemes resulting in non-achievement of targets. This indicated that despite allocation of funds, majority of the schemes related to health, nutrition, rehabilitation, training and providing financial support to women could not achieve their goal of reducing gender disparity due to lack of planning and inefficient execution by implementing agencies and ineffective monitoring by the governance structure. Specific audit findings relating to financial management and the implementation of the schemes are discussed in the relevant chapters.

Thus, GoUP has not adopted the Gender Budgeting after ten years of declaration of the above policy in 2006; Gender Budgeting cells were not setup in government departments for formulation of gender based budgeting; gender segregated data was not maintained by implementing agencies; proper identification of beneficiaries was not ensured in KSY which led to coverage of ineligible beneficiaries; appropriate assessment/survey was not conducted in *Ujjawala* Scheme which led to non-coverage of bordering areas with Nepal with high concentration of target groups. There were significant savings in most of the Schemes. As such, goal of reducing gender disparity envisaged under these Schemes could not be achieved.