

CHAPTER IV**IMPLEMENTATION OF SCHEMES**

Urban Local Bodies implement various Central and State sponsored schemes. Test audit of 54 ULBs audited during the year revealed non-compliance with the norms during implementation of the schemes as discussed in the succeeding paragraphs.

4.1 Employment Generation in Urban Area Scheme (EGS)

The Government of West Bengal launched Employment Generation Scheme (EGS) in September 2005 for employment generation 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 have to be done directly by the ULBs either through Ward Committees or through Community Development Societies (CDS) to ensure creation of wage employment for the members of the CDS and urban poor. The works under the scheme were to be identified by the Ward Committees / CDS.

4.1.1 Poor utilisation of EGS Grants

Test check of records revealed that in 13 ULBs unspent funds increased from ₹ 5.17 crore as on 1 April 2007 to ₹ 6.55 crore as on 31 March 2009. This indicates inability of the ULBs to create more man-days under the scheme:

Utilisation of EGS grants during the year 2007 – 09**Year: 2007 – 08****(₹ in lakh)**

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Payment	Closing Balance	Percentage of expenditure
1.	Alipurduar	43.94	31.29	75.23	36.55	38.68	48.59
2.	Basirhat	55.94	43.28	99.22	46.86	52.36	47.23
3.	Bidhannagar	44.82	44.98	89.79	37.38	52.41	41.63
4.	Bolpur	39.81	21.46	61.27	31.06	30.21	50.69
5.	Bongaon	24.71	43.48	68.19	48.89	19.30	71.70
6.	Chandernagore	49.35	44.84	94.19	31.90	62.29	33.87
7.	Dinhata	40.44	25.09	65.53	12.37	53.16	18.88
8.	Habra	71.77	49.07	120.84	6.04	114.80	5.00
9.	Howrah	0.00	115.16	115.16	0.00	115.16	0.00
10.	Kalimpong	29.63	27.98	57.61	15.32	42.29	26.59
11.	Murshidabad	46.31	17.56	63.87	28.73	35.14	44.98
12.	Naihati	44.85	65.93	110.78	44.73	66.04	40.38
13.	New Barrackpore	25.31	29.06	54.37	27.18	27.19	49.99
Total		516.88	559.18	1076.05	367.01	709.03	34.11

Year: 2008 – 09

(₹ in lakh)

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Payment	Closing Balance	Percentage of expenditure
1.	Alipurduar	38.68	34.44	73.12	42.16	30.96	57.66
2.	Basirhat	52.36	47.62	99.98	45.04	54.94	45.05
3.	Bidhannagar	52.41	49.50	101.91	23.44	78.47	23.00
4.	Bolpur	30.21	42.91	73.12	28.13	44.99	38.47
5.	Bongaon	19.30	47.85	67.15	66.95	0.20	99.70
6.	Chandernagore	62.29	49.34	111.63	29.86	81.77	26.76
7.	Dinhata	53.16	27.61	80.77	39.90	40.87	49.40
8.	Habra	114.80	54.00	168.80	92.84	75.96	55.00
9.	Howrah	115.16	0.00	115.16	0.94	114.22	0.82
10.	Kalimpong	42.29	15.33	57.62	15.70	41.92	27.25
11.	Murshidabad	35.14	39.61	74.75	53.32	21.43	71.32
12.	Naihati	66.04	72.56	138.60	85.61	52.99	63.13
13.	New Barrackpore	27.19	31.99	59.18	43.33	15.85	73.22
Total		709.03	512.76	1221.79	567.22	654.57	46.43

4.1.2 Non-involvement of Community Development Societies (CDS)

As per the guidelines issued by the State Government, the works under EGS would have to be done directly by the ULBs either through Ward Committees (WC) or through Community Development Societies (CDS). Records indicated that four²¹ ULBs spent ₹ 1.53 crore under the scheme during 2006 – 09 without involving the Ward Committees / Community Development Societies (CDS).

4.1.3 Non-adherence to wage-material ratio

4.1.3.1 Test check of works executed during 2007 – 09 by six ULBs 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 employment of approximately 97146 man-days²² on an average during the year:

Name of ULB	Year	Ratio – (Wage : Material)	Excess expenditure on material (₹ in lakh)
Alipurduar	2007-08	13 : 87	9.87
	2008-09	13 : 87	11.38
Chandernagore	2008-09	37 : 63	0.90
Dinhata	2007-09	15 : 85	13.07
Naihati	2008-09	29 : 71	26.54
New Barrackpore	2007-08	35 : 65	1.36
Santipur	2007-08	15 : 85	8.57
	2008-09	20 : 80	1.17
Total			72.86

²¹ Dhupguri (₹ 25.73 lakh between 2007-09), Howrah (₹ 13.91 lakh between 2006-07), Murshidabad (₹ 82.05 lakh between 2007-09) and Titagarh (₹ 32.00 lakh between 2007-08).

²² Wage rate has been considered at ₹ 75 and computed accordingly.

The wage-material ratio in two ULBs, viz. Bashirhat and Dhupguri could not be ascertained due to improper maintenance / non-maintenance of detailed records of man-days generated and the details of materials consumed in the respective works.

4.1.3.2 As per para 7 of the guidelines, the ULBs shall have to submit to the Municipal Affairs Department one set of vetted estimates of individual work accompanied by the recommendation of the WCs and the Board of Councillors' resolution. It was observed that six ULBs, viz. Alipurduar, Bolpur, Bongaon, Dhupguri, Kalimpong and New Barrackpore did not submit vetted estimates of individual works to the department. There were no records in the ULBs to indicate that the department called for it while sanctioning further fund for this purpose.

4.1.4 Non-maintenance of stock registers and list of urban poor

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 revealed that eight ULBs viz. Alipurduar, Bolpur, Bongaon, Dhupguri, Dinhata, Habra, Howrah and Kalimpong did not maintain various records like identified list of urban poor / CDS members.

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

4.1.5 Works executed engaging contractors – ₹ 59.96 lakh

Test check of records revealed that two ULBs, viz. Titagarh and Jiaganj-Azimganj executed works worth ₹ 32.00 lakh during 2007 – 08 and ₹ 27.96 lakh respectively engaging contractors in violation of government guidelines. As a result, it could not be ensured in audit whether the urban poor in the respective ULBs actually received employment.

4.2 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 universalization of primary education, by increasing enrolment, retention and attendance and simultaneously impacting on nutrition of students in primary classes. The Central Government assists the ULBs by providing food grains, the actual cost incurred in transportation, cooking cost, assistance to construct kitchen-cum-store, assistance for provisioning and replacement of kitchen devices and assistance for management, monitoring and evaluation.

4.2.1 Non-implementation of scheme

Three ULBs failed to implement the scheme in 80 schools out of 254 schools till March 2009. Thus the poor students of 80 schools were deprived from getting the benefits of the Central Scheme.

Name of the ULB	Total no. of schools situated in the municipal area	No. of schools in which the scheme was not implemented	Remarks
Bhatpara	135	39	Reasons not furnished.
Garulia	25	19	The Municipality drew conversion amount for 19 schools but the fund was diverted for its own purpose without reporting to the Government.
Jalpaiguri	94	22	Reasons not furnished.

Municipal Authorities stated that irregularities and deficiencies as pointed out by audit noted for rectification and further guidance.

4.2.2 Damage of rice

In two ULBs 453 quintals of rice worth ₹ 6.80 lakh was damaged in the godown during 2007-09.

(₹ in lakh)

Name of the ULB	Rice damaged (in Quintals)	Price of damaged rice	Remarks
Burdwan	203	3.05	In December 2007, the Municipal Authority declared that 203 quintals of rice were damaged due to excess rainfall and found unfit for human consumption. The Municipal Authority neither reported the fact of such damage to the Government nor took any initiative to settle the issue.
North Dum Dum	250	3.75	Damaged at the go-down of the distributor. No action was taken to recover the cost from the distributor or to settle the issue.

The Chairman of North Dum Dum Municipality assured to take steps in consultation with the district authority. The reply was not tenable as no attention was paid for safe storage of food grains.

4.3 National Old Age Pension Scheme (NOAPS)

National Old Age Pension Scheme (NOAPS) is a social assistance programme under National Social Assistance Programme for poor households. The share of contribution of the Central and State Governments is 50 : 50 with effect from 1 April 2006. The age of the beneficiary for NOAPS shall be 65 years or higher and the beneficiary must

be a destitute having little or no regular means of subsistence. The monthly entitlement of pension under the scheme is ₹ 400 with effect from 1 April 2006.

4.3.1 Underutilization of fund of ₹ 60.77 lakh deprived 1265 beneficiaries

Scrutiny of records of two municipalities revealed that an amount of ₹ 60.77 lakh remained unutilized as of March 2009 depriving 1265 intended beneficiaries for the year 2008 – 09 as detailed below:

(₹ in lakh)

Sl. No.	Name of the ULB	Opening Balance	Receipt	Total	Expenditure	Closing Balance	No. of beneficiaries deprived
1.	Balurghat	15.03	56.63	71.67	63.61	8.05	167
2.	South Dum Dum	78.77	39.38	118.14	65.42	52.72	1098
Total		93.80	96.01	189.81	129.03	60.77	1265

The ULBs did not identify actual number of eligible beneficiaries for the scheme from time to time. Delay in payment of pension under the scheme also contributed to accumulation of unspent fund.

4.3.2 Utilisation of fund for improvement of roads etc. - ₹ 5.21 lakh

The Kandi Municipality utilised fund of ₹ 5.21 lakh between August 2007 and March 2008 towards improvement of roads, drains, etc. from the NOAPS Grant depriving 108 intended beneficiaries for the year 2007 – 08 .

4.3.3 Payments made to other than beneficiaries without authorization

In Balurghat Municipality ₹ 1.08 lakh drawn against 53 beneficiaries were received by Councillors or other persons during 2007-09, but no authorization from the beneficiaries was available against such receipt. Similarly in Howrah Municipal Corporation ₹ 0.52 lakh drawn against 12 beneficiaries were received by other persons without any authorization during 2007-08. The Balurghat Municipality stated that authorization from the concerned beneficiaries would be taken in future.

4.4 Conclusion

The poor utilisation of funds by ULBs indicated inadequate attention to the Government objectives and policies, for providing basic amenities and services.

Non compliance with the Government guidelines frustrated the objective of the scheme and deprived targeted beneficiaries from the intended benefits.

4.5 Recommendations

- Adequate evaluation of the schemes should be made to avoid accumulation of fund.
- Schemes should be implemented as per guidelines recommended by the Government from time to time.

- Adequate controls need to be put in place to prevent irregular payment of money and to ensure lifting appropriate quality of rice and safe storage to avoid losses.