

CHAPTER IV

IMPLEMENTATION OF SCHEMES

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Urban Local Bodies implement various Central and State sponsored schemes. Test check of 59 ULBs audited during the year revealed non-compliance with the norms during implementation of the scheme as discussed in the succeeding paragraphs.

4.1 Employment Generation in Urban Area Scheme

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 (WC) or through Community Development Societies (CDS) with the overall objective of ensuring creation of wage employment for the members of the CDS and urban poor. The works under the scheme were to be identified by the WC / CDS.

4.1.1 Poor utilisation of EGS Grants

Test check of records revealed that 26 ULBs utilized only 47 and 55 *per cent* of the EGS grant available during the period 2008-09 and 2009-10 respectively. Unit wise details are given in **Appendices 11A and 11B**. 14 ULBs utilized more than 50 *per cent* of grant during 2009-10. Out of 26 test-checked ULBs, Baidyabati and Dum Dum Municipalities utilized less than 20 *per cent* of the available grant during 2009-10.

4.1.2 Non-involvement of Community Development Societies

As per the guidelines issued by the State Government, the works under EGS should be done directly by the ULBs either through Ward Committees or through Community Development Societies. Records indicated that twelve²⁹ ULBs spent ₹ 10.28 crore under the scheme during 2008 – 10 without involving the WC / CDS.

²⁹ Barrackpore (₹ 84.56 lakh), Berhampore (₹ 130.72 lakh), Dum Dum (₹ 28.74 lakh), Kanchrapara (₹ 149.91 lakh), Konnagar (₹ 68.25 lakh), Mathabhanga (₹ 45.82 lakh), Sainthia (₹ 40.32 lakh), Serampore (₹ 98.96 lakh), South Dum Dum (₹ 131.62 lakh), Taherpur (₹ 50.38 lakh), Uluberia (₹ 140.85 lakh) and Uttarpara-Kotrung (₹ 58.30 lakh).

4.1.3 Non-adherence to wage–material ratio

4.1.3.1 As per the guidelines issued by the State Government, wage component and material component should, in question, adhere to 40:60 proportion for individual scheme and deviation is permissible for higher percentage of wage component. Test check of works executed during 2007 – 10 by eight 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 166027 man-days³⁰ on an average during the year:

Table 13 : Non-adherence to wage material ratio

Name of ULB	Year	Ratio – Wage : Material	Excess expenditure on material (₹ in lakh)
Berhampore	2007-08	20:80	10.20
	2008-09	25:75	8.84
	2009-10	0:100	2.26
Kaliaganj	2007-09	15:85	7.02
Kanchrapara	2008-09	24:76	11.56
	2009-10	21:79	10.39
Kulti	2008-09	23:77	18.96
Nabadwip	2008-09	38:62	2.81
	2009-10	28:72	8.72
Old Malda	2008-09	30:70	4.02
	2009-10	25:75	4.54
Sainthia	2007-08	13:87	5.71
	2008-09	0:100	3.63
	2009-10	26:74	4.23
Serampore	2008-09	20:80	9.79
	2009-10	16:84	11.84
Total			124.52

The wage-material ratio in four ULBs, *viz.*, Baranagar, Dubrajpur, Konnagar and Madhyamgram could not be ascertained due to improper maintenance / non-maintenance of detailed records of man-days generated and material consumed in the respective works.

4.1.3.2 As per para 5 of the guidelines, works under the scheme are to be identified by the Ward Committees and estimates are to be prepared and certified by the Sub Assistant Engineer / Assistant Engineer of the concerned ULBs. Further, the ULBs are required to submit to the Municipal Affairs Department one set of vetted estimates³¹ of individual work accompanied by the recommendation of the WCs and the Board of Councillors' resolution (para 7

³⁰ Computed based on wage rate of ₹ 75 per day.

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

of the guidelines). It was observed that fifteen ULBs³² 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 eighteen ULBs³³ did not maintain various records like identified list of urban poor / CDS members and seven ULBs³⁴ did not maintain stock registers.

In absence 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 – ₹ 76.12 lakh

Four ULBs³⁵ executed works (such as construction / improvement of roads, parks, boundary walls, laying of pipelines, lifting of garbage, etc.) worth ₹ 76.12 lakh during 2007 – 10 engaging contractors in violation of government guidelines. As a result, it could not be ensured in audit whether the urban poor of the respective ULBs were actually extended the benefit of employment.

4.1.6 Unauthorised Expenditure – ₹ 9.90 lakh

Test check of records revealed that Kanchrapara Municipality incurred unauthorised expenditure of ₹ 9.90 lakh for payment of electricity bill during 2009-10 in contravention to provision of guidelines.

4.1.7 Outstanding Utilisation Certificate – ₹ 3.12 crore

Three ULBs *viz.*, Asansol, Nabadwip and Old Malda did not furnish the Utilisation Certificates to the Government for the expenditure incurred amounting to ₹ 3.12 crore during 2008-10. This resulted in forfeiture of the grant to Asansol Municipal Corporation for the period 2009-10. Serampore Municipality did not show the Utilisation Certificate to audit and Uluberia Municipality furnished the Utilisation

³² Bally, Bansberia, Bhadreswar, Haldia, Konnagar, Kulti, Nabadwip, Old malda, Pujali, Rishra, Serampore, South Dum Dum, Taherpur, Uluberia and Uttarpara-Kotrung.

³³ Baidyabati, Bally, Bansberia, Baranagar, Barasat, Bhadreswar, Dubrajpur, English Bazar, Haldia, Kanchrapara, Konnagar, Kulti, Maheshtala, Pujali, Rishra, Serampore, Uluberia and Uttarpara-Kotrung.

³⁴ Bally, Baranagar, Dubrajpur, Haldia, Kulti, Rishra and Serampore.

³⁵ Baidyabati (₹ 1.20 lakh during 2009-10), Dum Dum (₹ 14.82 lakh during 2008-10), Konnagar (₹ 32.03 lakh during 2007-10) and Taherpur (₹ 28.07 lakh during 2008-10).

Certificate to the Government stating that 100 *per cent* amount has been utilised but records showed that 89.93 and 53.08 *per cent* were utilised during 2008-09 and 2009-10 respectively.

4.2 Conclusion

Poor utilisation of funds by ULBs for providing basic amenities and services and non-compliance with Government guidelines frustrated the objectives of the schemes and deprived targeted beneficiaries from the intended benefits of basic amenities and services.

4.3 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 execution of the scheme and irregular payments.