

Chapter 10 of the Guidelines prescribed monitoring at each level. *GPs* were to monitor works executed by implementing agencies, *KPs* the registration of households, issue of job cards etc. However, all these activities were to be overall monitored by district level functionaries. The State Government was to monitor timely payment of wages, payment of unemployment allowances, grievance redressal etc. Central Employment Guarantee Council (CEGC) was to evolve a monitoring mechanism through external and internal agencies.

### 9.1 Instruments for monitoring

Various monitoring mechanisms were prescribed in the Act and the Operational Guidelines viz; Vigilance and monitoring committee, District Quality Monitors, State Quality Monitors and National level Monitors. Besides, members of SEGC, Rural Development Department, Chief Executive Officer of the 'Uttar Pradesh *Gramin Rojgar Guarantee Yojna Samiti*' were also to monitor the Scheme. There is an inbuilt mechanism for Social Audits by *Gram Sabhas* for ensuring public monitoring of the Scheme. Audit observations on the various arrangements for monitoring are discussed in the succeeding paragraphs.

#### 9.1.1 Vigilance and Monitoring Committee

As per paragraph 10.1.2 of the Guidelines, local Vigilance and Monitoring Committees (VMCs) comprising of nine members elected by *Gram Sabhas*, were to be set up in each *Panchayat* for monitoring the execution of works within the *GP* and to conduct regular social audit of the projects. The *GP/Implementing Agency* were to apprise VMCs about the work, time frame for their completion, quality parameters etc. However, Audit observed that in 57 *GPs* out of the 460 test checked, VMCs were not constituted. Further, 30 *GPs* out of remaining 403 where VMCs were constituted, they were not apprised about works, timeframe, quality parameters etc.

The State Government stated (January 2013) that action will be taken for constituting the committees and also for training of the VMC members by the Social Audit directorate set up separately.

#### 9.1.2 District/State Quality Monitors

District Quality Monitors (DQMs) were not appointed in the State. Initially, instead of appointing separate State Quality Monitors (SQMs), the State Government, in February 2006, nominated Directors of six State level institutions and NGOs as SQMs. However, no reports were submitted by them. In December 2008, the Government empanelled 10 SQMs who conducted only 26 inspections in 2009-10, 16 in 2010-11 and one in 2011-12. The inspections carried out were insufficient given the spread of MGNREGS.

Further, the State Government never reviewed/assessed the appointment and proficiency of the SQMs and their tour programmes were never circulated to the concerned functionaries. This indicated poor monitoring.

The State Government stated (January 2013) that DQMs were not necessary after engagement of Technical Audit Cell (TAC) personnel for the inspections. Reply was not justified in view of the requirements as per the Guidelines.

### 9.1.3 Monitoring and evaluation by SEGC

Under Section 12 of the Act duties and function of SEGC *inter alia*, included advising the State Government; determining the preferred works; reviewing the monitoring and redressal mechanism from time to time; promoting the widest possible dissemination of information about the Act and the Scheme; monitoring and implementation of the Act; and preparing annual report to be laid before the State Legislature by the Government.

Audit observed that different kinds of financial and administrative approvals were given from time to time by SEGC in its meetings. It never prepared a list of preferred works. Further the rules for implementation of the Scheme, approved by SEGC, were neither notified nor the resource materials/guidelines for dissemination of information in the public published till 2010. Annual report on the Scheme implementation was not prepared since the inception of the Scheme for placement before the State Legislature. Besides, SEGC neither took up evaluation of the Scheme nor developed an evaluation system for it. As a result it could not throw light on outcomes<sup>1</sup> and innovations in planning, monitoring etc.

In reply, the State Government stated (January 2013) that monitoring by SEGC was done regularly. However no annual report on this monitoring was ever submitted to the Legislative Assembly.

Reply on the issue of evaluation of the Scheme by SEGC was not furnished. Thus there was hardly any monitoring and evaluation by SEGC.

### 9.1.4 Monitoring by physical verification of works

The Guidelines prescribes<sup>2</sup> inspection of works by functionaries at each level. In audit however, we noticed that no such documents were maintained/shown to audit which could revealed that the prescribed inspections were done by the implementing authorities.

The State Government stated (January 2013) that the monitoring and physical verification was being done. However, no specific reply was given about the achievement of prescribed norms for inspection. Thus it can be concluded that the prescribed norms for works were not being followed.

<sup>1</sup> Physical progress of the works however, reported in MPRs.

<sup>2</sup> 100 per cent of works at the Block level; 10 per cent of works at the District level; 2 per cent at the State level.

## 9.2 Irregular payments to NGOs

Engagement of NGOs for monitoring works under MGNREGA was not prescribed under the guidelines. Audit observed that the State Government engaged<sup>3</sup> 11 NGOs/CSOs<sup>4</sup> for third party monitoring of tree plantation works in Bundelkhand<sup>5</sup> and Vindhayachal<sup>6</sup> region between 2008-11. These organizations were paid ₹ 68.81 lakhs<sup>7</sup> at the rate of ₹ 100 per hectare<sup>8</sup> of tree planted in special afforestation campaign launched<sup>9</sup> during 2008-11. The monitoring works assigned to the NGOs were not linked with providing employment and were not verifiable as the weekly progress reports were not submitted to audit though asked for. Records relating to identification and nomination of NGOs were not made available to Audit. However, records of one NGO (Bundelkhand Sewa Sansthan) made available showed that a SEGC member was Programme Coordinator and Minister-in -Charge of the NGO. Thus unauthorised involvement of NGOs in monitoring works caused irregular expenditure of ₹ 69 lakh. Further the work being unverifiable in nature, the possibility of fraudulent payments cannot be ruled out.

The State Government stated (January 2013) that there is no irregularity in incurring expenditure from administrative expenses of MGNREGS for the purposes of third party monitoring of the assets created under plantation works in Bundelkhand and Vindhayachal regions.

Reply was not factually correct as the limit prescribed for administrative expenses was the maximum limit permissible and the items of expenditure allowed on administrative expenses did not include third party contractual monitoring of works.

In the Exit Conference the Principal Secretary however, agreed with the audit observation in principle and assured to furnish the copy of the letters sent to the GoI by the State Government in this regard.

However, the same were awaited in audit (March 2013).

## 9.3 Social Audit

Social audits were made central to the monitoring process under MGNREGS so as to serve as a mechanism for continuous public vigilance. The objective of the social audit was to ensure public accountability in implementation of the projects, laws and policies. Chapter 12 of the Guidelines prescribed for social audit of all the works by *Gram Sabhas* at least twice a year with wide

<sup>3</sup> NGOs were nominated and were not based on specified selection criteria

<sup>4</sup> Bundelkhand Sewa Sansthan, Development Alternativee, Permarth Samaj Sewa Sansthan, Krishna Arpit Sewashram, Paramlal Sewa Samiti, Self Employed Women's Association, Vnangana, Yuwak Mangal Dal, Arthik Anusandhan, Asha and Science Centre.

<sup>5</sup> Banda, Chitrakoot, Hamirpur, Jhansi, Jaulaun, Mahoba and Allahabad

<sup>6</sup> Allahabad, Chandauli, Mirzapur, Sonbhadra

<sup>7</sup> Payments of 2008-09 was not made available to Audit.

<sup>8</sup> Commissioner's MGNEGA order dated 2 July 2009.

<sup>9</sup> GOs dated 1 July 2008, 27 February 2009 and 17 March 2010.

publicity regarding date, time, agenda etc. All records were to be made available in 'social audit'. Further, the State Government was required to constitute a social audit committee to facilitate social audit. National workshop on social audit had decided (November 2011) that the State Government must start social audit on pilot basis in a few selected blocks, appoint Director (Social Audit) and send proposal for setting up State Social Audit unit and requirement for its staffing by December 2011.

Audit however observed that Social Audit was not conducted in 258 out of 460 GPs test checked. Internal audit cell in 14 out of 18 test-checked districts was not constituted to examine social audit reports. The State Government appointed (March 2012) Director, (Social Audit) to facilitate social audit in the State. However, no block was selected for social audit on pilot basis as of March 2012. Thus public accountability through social audit was not ensured as envisaged.

In reply, the State Government stated (January 2013) that social audit on pilot basis has now been conducted in Sitapur and Hardoi districts. However no records were produced to audit in support of this assertion.

#### **9.4 Grievance redressal**

State Government formulated (May 2009) 'Uttar Pradesh Employment Guarantee Grievance Redressal Mechanism Rules 2009' according to which POs were responsible to deal with the complaints/grievances. MoRD also stipulated (November 2007) that measures for submitting written/oral complaints and a toll free helpline should be considered while framing a mechanism for it. However, Audit observed that though the grievances through the helpline were received at the State level, 3,451 grievances at the end of March 2012 were outstanding. Further, 1,398 grievances received through various other means were also pending for disposal. No time extension for the settlement/examination of these complaints was availed even though there was provision for seeking such extension in the rules.

The State Government (January 2013) did not give any reply regarding the pendency of complaints. It, however, stated that complaint registers were maintained in the districts.

Reply was not convincing as the registers were not shown during audit of the sampled districts.

#### **9.5 Use of GIS under MGNREGS**

MoRD set up (October 2010) an expert group for use of Geographical Information System (GIS) under MGNREGS. With the help of GIS, decentralised planning, preparation of labour budget, programme implementation and asset monitoring and evaluation etc. would be immensely facilitated. Though MoRD forwarded the guidelines/directives on GIS in February 2010 yet the State Government did not act upon it (March 2012).

The State Government stated (January 2013) that GIS on web based map of one Block in each district has been uploaded. However, date of uploading was not indicated in the reply. Thus the work on GIS has not yet commenced on any substantial scale in the State.

## 9.6 Transparency

MGNREGA stipulates that Right to Information (RTI) Act is applicable to all matters relating to it. Request for information should not be refused under any circumstances. Audit however noticed that four districts<sup>10</sup> did not designate PIOs for disposal of RTI cases. It was further observed that:

- In four districts<sup>11</sup>, the related/relevant records relating to receipt and disposal of RTI applications were not maintained and thus timeliness of disposal of applications could not be ascertained.
- Copies of muster rolls were not kept in concerned *GP* offices for public inspection in 17 *GP* of Moradabad and Balarampur districts out of test checked 460 *GP* in 18 districts.
- The test checked districts were unaware about the existence of Citizens' Charter although it was developed by the State.
- MGNREGA account numbers of the *GP* were not displayed on the premises and report card on the local works, employment generated and funds available were also not posted at the premises of the *GP*.

The State Government stated (January 2013) that DRDA's PIO are working as PIO of MGNREGS also. In Bareilly district, the cases were pending for want of application money from the complainant. However, instructions have been issued for keeping records by *GP* carefully. Citizen Charter has been uploaded on the website.

Replies were not convincing on the ground that the records maintenance and awareness among the public in general about citizen charter was not ensured.

## 9.7 Conclusion

From the preceding paragraphs it is evident that monitoring of the processes and works under MGNREGS was inadequate. Village upwards (VMCs) right upto the State level (SEGC), monitoring was a neglected area. The State Government irregularly engaged NGOs for doing monitoring of works and payments were made to them without ensuring submission of monitoring reports. Grievance redressal mechanism was ineffective as thousands of complaints were pending for disposal. The State is also lagging behind in the use of modern techniques like GIS to assist in the monitoring the scheme implementation.

<sup>10</sup>Chitrakoot, Kushinagar, Ghaziabad and Rampur.

<sup>11</sup>Bareilly, Moradabad, Sultanpur and Unnao.

## 9.8 Recommendations

- The Government should constitute Vigilance and Monitoring Committees in the villages and appoint District Quality Monitors.
- SEGC should design evaluation parameters.
- Social audits should be ensured as envisaged.