

Chapter-1: Executive Summary

The Planning Commission, Government of India (GOI), has been according considerable importance to a district-centric approach in the devolution of finances for integrated local area development for the district. Similarly, the State Government has also been devolving funds district wise for holistic development of a district. Recognizing the importance of such district oriented development, a district-centric audit of Nainital district was carried out to assess the status and impact of implementation of various socio-economic developmental programmes in the district during 2007-12. The review covered key social sector programmes relating to health, water supply, watershed development (an externally aided project) and other developmental programmes of economic sector like employment generation, irrigation and forestation under National Afforestation Programme. Besides, General services relating to civic amenities by municipal administration and Lake Conservation Programme were also covered.

District Planning

The district planning in Nainital was deficient due to delayed constitution of District Planning Committee (DPC) and delay in framing of rules and regulations. DPC did not hold quarterly meetings after it was constituted in November 2010.

The DPC had not prepared any Perspective Plan or even a shelf of schemes for the overall development of the district. The local levels of the government were not involved in providing any inputs to the planning process. The State Government during 2007-08 to 2011-12 had released ₹ 187.15 crore towards District Development Plan (DDP) of Nainital District without assessing linkage to the bottom-up planning projection. Thus, the functions of the DPC remained incomplete and perfunctory in absence of ground level participation.

[Paragraph 3.1]

Recommendations

The Government may consider to ensure:

- *Preparing holistic perspective and integrated plans for the district, based on a structured process of obtaining inputs from local bodies and shelf of projects for a more realistic assessment of the district.*
- *Regular meeting of the DPC for more effective planning and monitoring of the various schemes in the district.*

Financial Management

There is no integrated reporting mechanism of scheme wise physical and financial status of the district available in the district or at the State Government level. There was mismatch of figures in certain schemes provided in the compiled data of District Economic and Statistical Office (DESTO) with respect to the information collected from various departments individually by

Audit. Audit noticed mismatch in the opening and closing balances of the available compiled figures by DESTO.

[Paragraph 3.2 and 3.3]

Recommendations

The State Government may consider to ensure:

- *Introducing a mechanism of an integrated reporting system at district and State level to monitor funds flows, deployment of funds and expenditure of the different developmental programmes/ schemes.*

Decentralised Governance

The empowerment of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) as envisaged in the XIth schedule of the Constitution has not been completely achieved even after a lapse of 19 years from Constitutional amendment. The integrated annual plans of Zila Parishad (ZP) and ULBs had not been submitted to DPC for integration with district development plan. In the district, only 98 Village Development Officers (VDOs)/ Multi-purpose workers (MPWs) were working for 460 GPs. The shortage of VDOs/ MPWs resulted in non-maintenance of accounting formats, assets registers *etc.* No monitoring or supervision was carried out by ZP in respect of the works carried out by the GPs and KPs.

[Paragraph 4.1]

Recommendations

The State Government/ District Administration may consider to ensure:

- *Devolving all the subjects to PRIs and ULBs as envisaged in the XIth and XIIth schedules of the Constitution.*
- *Integration of district development plan with the plans prepared by PRIs and ULBs.*

Social Services

National Rural Health Mission (NRHM)

The District Health Society (DHS) met infrequently and no Perspective Plan was prepared for the mission period (2005-12). District Plans were prepared without inputs from Villages and Blocks. Maternity Mortality Rate (MMR) and Infant Mortality Rate (IMR) stood at 183 and 31 against the NRHM targets of a maximum of 100 and 28 respectively by the end of Mission period 2012, which was an area of concern for the district. Tardy implementation of health programmes, shortage of doctors and paramedical staff and inadequate infrastructure as per IPHS norms were the main reasons behind underachievement of targets. Integration of AYUSH as envisaged under NRHM was not achieved in all the health centres of the district.

[Paragraph 5.1]

Recommendations

The State Government/ District Administration may consider to ensure:

- *Equipping all health centres with adequate and skilled manpower as per IPHS norms.*
- *Community involvement at every stage of planning, implementation and monitoring of the programme.*

National Rural Drinking Water Programme

The objective to cover all habitations by providing safe and potable drinking water by the end of 2009 as per the target envisaged in the Eleventh Five Year Plan could not be achieved in the district. Although, significant number of habitations has been covered during the last five years, regular water quality testing was not carried out regularly to ensure quality of drinking water.

[Paragraph 5.2]

Recommendation

The State Government/ District Administration may consider to ensure:

- *Fixing timeline for covering all habitations with safe and potable drinking water.*
- *Conducting regular testing of Water quality as per norms to ensure supply of safe and potable drinking water to the people.*

Externally Aided Project (Uttarakhand Decentralized Watershed Development Project)

The selection of watershed areas was made by the project authorities in a non-transparent manner. Annual Work Plans were approved post facto on the basis of expenditure incurred during the year and were therefore not based on actual need. Budget caps of Gram Panchayats were enhanced arbitrarily. Works under the project in the district suffered from cost and time overruns.

[Paragraph 5.4]

Economic Services

Mahatma Gandhi National Rural Employment Guarantee Scheme

The primary objective of ensuring livelihood security by providing 100 days of annual employment to the targeted community was not achieved at all as only up to four *per cent* of registered households were provided 100 days of employment during the period of 2007-08 to 2011-12. The scheme suffered from non-approval of Perspective Plan, delay in submission of Annual Plans, unrealistic labour budgets, delay in payment of wages to the beneficiaries and poor monitoring. The mismatch between the data of MIS and MPR indicated non-existence of any mechanism to verify the authenticity of data before being uploaded to the MGNREGS

website. Shortage of human resource in GRS and JE cadres ranged from 97 to 70 per cent. There were shortfalls in conducting Social Audits, Inspections and Monitoring of works in the district.

[Paragraph 6.1]

Recommendations

The State Government/ District Administration may consider to ensure:

- *Deployment of adequate human resources for effective implementation of scheme.*
- *Increasing the awareness about the scheme in rural population so that every registered household is aware about employment on demand within 15 days, unemployment allowance in case of non-employment in scheduled time frame, compensation in case of delayed payment etc.*
- *Paying special attention to check the existing mismatch between MPR and MIS data.*

Accelerated Irrigation Benefit Scheme

The schemes of Irrigation Department and Minor Irrigation Department for the period 2007-12 in the district suffered from lack of planning and survey which led to under utilisation of funds, delay in implementation of the various schemes, non-achievement of the objectives of irrigating the targeted area and non-maintenance of completed schemes.

[Paragraph 6.2]

Recommendations

The State Government/ District Administration may consider to ensure:

- *Putting in place monitoring mechanisms for proper operation and maintenance of completed schemes.*
- *Preparing revenue village wise data base of canals and guls for better planning.*

National Afforestation Programme

Although plantation works have been completed in most of the projects in the district but yearly survival rate of plantations was not being assessed by the Forest Development Agencies (FDA).

[Paragraph 6.3]

Recommendations

The State Government/ District Administration may consider to ensure:

- *Timely release of funds for maintenance, watch and ward of the raised plantation as per norms.*
- *Maintaining and monitoring the yearly survival rate of plantations by the FDAs.*

General Services

Civic Amenities by Municipal Administration

The construction of 923 houses under Integrated Housing Slum Development Project (IHSDP) and 200 houses under Basic Service to the Urban Poor (BSUP) scheme of Haldwani and Nainital towns could not be completed by the executing agencies despite availability of adequate funds. Construction of 141 houses under BSUP scheme for Nainital town could not be started due to non-availability of land.

Municipal waste was not being handled in accordance to MSW Act, 2000 and the waste collected by the municipalities was finally dumped at nearby forest areas and in rivers. Failure to obtain grant for modernization of the slaughter houses led to animals being slaughtered in open.

[Paragraph 7.1]

Recommendations

The State Government/ District Administration may consider to ensure:

- *Availability of land before taking up of housing projects related to slum areas.*
- *Completion of the projects for management of solid wastes in all the four ULBs.*

National Lake Conservation Plan

There were instances of irregular and unfruitful expenditure in various components of the project like Solid Waste Management, Low Cost Sanitation and Social Awareness etc. Due to non-preparation of Program Evaluation Review Technique chart, the project works were executed without fixed timelines which led to delayed execution and works remaining incomplete even after a lapse of six years from the stipulated date of completion. However, an improvement in lake water quality parameters was noticed.

[Paragraph 7.2]

Human Resource Management and Internal Control System

There were shortages of staff in all the sample selected agencies of the district. Shortages were noticed in every office, especially in key posts such as doctors, engineers and forest security staff, which adversely affected the progress of the schemes. Besides, no internal auditing mechanism was found to be established in majority of the departments. Multiple bank accounts were being operated by ULBs, UJS and NLRSA. Monitoring and supervision of the progress of implementation of various schemes at all tiers of local administration in the district was perfunctory, which impacted progress of the schemes.

[Paragraphs 8.1 to 8.2.7]

Recommendations

The State Government/ District Administration may consider to ensure:

- *Strengthening monitoring and supervision at all the tiers of local district administration so that the programmes are executed on time and well within cost.*
- *periodical assessment of sanctioned strength, postings of functionary at each level, especially in key post like doctors, engineers and forest security staff for smooth implementation of the programmes/ schemes.*

Conclusion

Planning was not based on structural process of obtaining inputs from Blocks, Gram Panchayats and other stakeholders. There is multiplicity of programme and scheme and even larger number of implementing agencies, making it difficult for the district administration to effectively co-ordinate monitoring and supervise the developmental activities. While almost all the developmental programmes are targeted at the same set of beneficiaries, the existence of myriad programmes without an integrated focus, had led to each of them being implemented in a standalone mode.

The District Administration needs to put in place a robust District Centric Planning Process by mapping the gaps in infrastructure under various sectors like health, employment generation, drinking water, etc though inputs from all tiers of local administration and Public at large. A clear roadmap to achieve the targets set through such plans for the development indicators to gauge the extent of development and the effectiveness of various schemes being implemented by the state in the district should be evolved by the State Government. People's participation is essential for ensuring sustainable development of the district.