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(nabcons@vsnl.net)

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Shri. A K Choudhary
Director
Member of Parliament Local Area Development Scheme
(MPLADS)
Ministry of Statistics & Programme Implementation
Govt. of India
211, Sardar Patel Bhawan,
New Delhi-110001

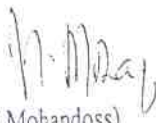
Dear Sir

Preliminary Highlights of the Districts Reports on MPLADS Phase-II

We are pleased to submit a copy the "Preliminary Highlights and Overview of the District Level Reports in Phase-II Monitoring Study of Member of Parliament Local Area Development (MPLAD) Scheme Works".

Regards

Yours faithfully


(V Mohandoss)
General Manager

Encl: 1 (12 Staff)

E-mail copy sent

Preliminary Highlights and Overview of the District Level Reports in Phase-II Monitoring Study of Member of Parliament Local Area Development (MPLAD) Scheme Works

About MPLAD Scheme

- Scheme for the development of infrastructure, basic facilities, and civic amenities.
- Launched in 1993-94 by the Ministry of Statistics & Programme Implementation (MOSPI), GOI, in all States and Union Territories.
- Organizational structure for operationalization involves:
 - State Nodal Department (SND),
 - District Authority (DA),
 - Implementing Agencies (IAs) and
 - User Agencies (UAs), for each district.
- Each MP of the Lok Sabha and Rajya Sabha can recommend, as per guidelines, works *directly* to the DA from the allotted fund of Rs.2.00 crore per year for each constituency.
- Works are based on *locally felt needs of the people* and covered under 11 Sectors.
- Works are located in rural areas, urban/ semi-urban areas, reserved for SC areas, ST areas, allotted to Trusts/ Societies/ NGOs, etc.

Overall Progress of MPLADS at All-India Level

- *Total number of works recommended* across all States, as on 31 May 2008, stood at **11.79 lakh**, of which **10.48 lakh** works were sanctioned and **9.53 lakh** completed (91% of sanctioned).
- As on 30 May 2008, *funds released* by Government of India to different States reached **Rs.18181 crore** (cumulative) Amount sanctioned by DAs at district level to various Implementing Agencies aggregated **Rs.17714 crore** (97%) Expenditure incurred (utilization) by Implementing Agencies was **Rs.16359 crore** (92% of sanctioned).
- The position of MPLADS as indicated above and sourced from the Summary Statements on expenditure under MPLADS of the Ministry (MOSPI), GOI, may not reveal the holistic picture of MPLADS at all-India level because the task of data uploading and updating in some of the States/UTs was not fully done by the agencies concerned at district/State level.

The Present Study

- It covered 43 districts in 24 States and UTs;
- Intensive study of 50 sample works per district;
- Major sectors in sample study were:
 - Roads, Pathways and Bridges
 - Drinking water
 - Education (school, college, etc.)
 - Health & family welfare
 - Sanitation, public health
 - Other public facilities (community hall, library, public park, etc.)
 - Electrification
 - Irrigation

I. Best Practices Observed in Implementation

Selection and Identification of Works:

- The selection/ identification of works and site/ area under MPLADS was in those extremely backward localities, which were not approved by the urban local bodies and did not qualify for development works through normal budgetary allocation. This approach was really the best and in tune with the rationale of the scheme and to realize the scheme objectives. (Ghaziabad)
- The projects were sanctioned to Trusts/Societies under "Education" sector in remote areas. (Gorakhpur)

Maintaining Records, Registers and Data

- Implementing Agencies (IAs) were properly maintaining all records of MPLADS works. (Raigarh, Mumbai Sub-urban, Gorakhpur, Bhopal, West Singhbhoom)
- The practice of maintenance of Asset Register is followed. The review of staff strength and works on hand at the time of sanction by DA was done. (Bareilly)
- Good trained staff was deployed at DA level that maintains the vast data on MPLADS works. Records were kept year wise and MP wise, which was of great use in segregating the works. (Surat)

Procedures:

- DA maintained a quick checklist for processing the proposals, which was also useful for the IA. (Surat)
- DA maintained good inter-relationship and co-ordination with various agencies. There were 9 IAs and 15 UAs, involved in implementation of MPLADS works in the district. (Ramnathapuram)

- The works were sanctioned by DA with proper planning, i.e. only after satisfying with site plan specifications, ground checking report, checking whether land belongs to Govt./GP/MC, whether land is free from all encumbrances, whether the work was not taken up earlier under any other scheme, whether cost estimate is on the basis of actual measurement of site, etc. (Kurukshestra).
- The sanction letter issued by the DA was comprehensive, covering all aspects of implementation of MPLADS works as also the terms and conditions to be fulfilled by the IA during execution of the works. (West Singhbhoom)
- DA followed a structured procedure for according administrative approval (AA). Once the proposal was received from MP, it was forwarded to the relevant government department for preparation of estimates. AA was accorded only after the competent authority of the Technical Department approved the estimates. Hence, the administrative approval also became the technical sanction. (Cachar, Bijapur).
- After receipt of estimates for administrative sanction from Implementing Agencies, DA was availing the services of the engineer available with DC office, Bijapur for scrutinising the estimates. After scrutiny by the engineer additional information/ clarification, if required, was obtained from the IA before awarding administrative sanction. (Bijapur)
- Before release of final installment to IA, the DA invariably ensured physical verification of works through field visit and obtained photographs of the works. (Cachar).
- UT/ District Administration (being small territory with nascent Quasi Govt. bodies and absence of NGOs, Trusts, etc.) assigned multiple tasks to a single department (PWD-III), which was solely responsible for pre-sanction aspects, easy and smooth sanctioning, implementation, maintenance and upkeep of the MPLADS works. (Dadra & Nagar Haveli)
- Identification of IAs was done by DA keeping in view the effectiveness and competence of IA for the work. (Alwar)
- The audit of MPLADS fund was up-to date. The accounts as on 31.03.08 were already audited. (Purulia, Murshidabad)
- Wherever works were recommended under "Education" sector the DA, while scrutinizing/ sanctioning the same, took a declaration from District Education Officer that the necessary regulatory educational approvals under legal provisions have been given for the said school. (Etah)
- Attestations were taken by DA from the Principal of the school concerned on all necessary documents to ensure that there is no violation of terms and conditions of sanction. (Etah)
- A number of projects for additional classrooms in schools were sanctioned under MPLAD Scheme. A striking feature of the construction of these works was the uniform pattern of size of classrooms with verandah. The length and breadth of each of the classroom was uniform to accommodate at least 40 students. Standard design and unit cost were prescribed for the works. This enabled uniform allocation of funds throughout the district. Type of construction was also standardized, facilitating full utilization of the sanctioned amount. (Kancheepuram, Ramnathapuram).

- The IA/ Trust was levied a fine as the completion of work (entrusted to the Seva Bharathi Trust) was delayed. (Ramnathapuram)

Involvement of Gram Panchayats (GPs):

- Execution of works was done through Gram Panchayat (GP) identified and designated as implementing agency (IA). (Sirsa, Purulia)
- Gram Panchayats were involved in site selection of works on the basis of public demand. So, there was no perceptible resistance to the works from local public, groups, sections of people. (Jalandhar)
- Gram Panchayat members were involved in implementation process of some works executed by BDOs (Madhubani).
- Gram Panchayats were primarily involved as User Agency (UA) in community hall works, which ensured proper upkeep and maintenance of assets. (Chandrapur).

Inspection, Monitoring, Site Visit, Review:

- The officials of IAs regularly monitored the progress of the work so as to ensure quality of work. (Raigarh, Mumbai Sub-urban, Gorakhpur, Bhopal, West Singhbhoom).
- DA ensured inspection of all the works and maintaining project-wise photographs. (Purulia)
- DA inspected the projects strictly as per requirement of the scheme guidelines. (Mumbai Sub-urban)
- DA officials submitted reports after field visit of works. (Sikkim East)
- MP (Lok Sabha) took proactive initiative by getting all the works (recommended by him) inspected, using retired engineers. The inspection reports were forwarded to District Authority. (Kurukshetra)
- An exclusive/ separate review by MP along with DA on half yearly basis was done. (Almora)
- DA had adopted the practice of calling the CEOs of Implementing Agencies to the review meetings of MPLADS at regular intervals. This move yielded positive results in the sense that the IAs had since started submitting the Utilization Certificates. (Purulia)

List/ Booklet/ Display of Works:

- DA is shortly bringing out a booklet of MPLADS works with photographs for sensitizing the general public on benefits under the scheme. (Bareilly, Cachar, Purulia, Murshidabad)
- 90 percent works were fixed with sign boards, displaying that the works were implemented under MPLAD scheme. (Kurukshetra)

Maintenance of Assets

- Maintenance of assets by some of the departments was done from their non-plan funds. (Sikkim East)
- User Agencies were identified by DA either before or after sanction of works in all (100%) cases of MPLADS works. IAs were also taking firm commitment from UAs in respect of proper upkeep and maintenance of assets created under MPLAD scheme. This arrangement had a favourable impact on quality and durability of assets. (Mumbai Sub-urban).

Organizing Training Programmes

- State Nodal Department (SND) organised the training Programmes for DA officials. By 2006 all DA Offices (i.e. all districts) in the state were covered. Based on feedback, SND shall organise more such training programmes for uncovered DA officials. (Mumbai Sub-urban)

II. Shortcomings Observed in Implementation Process

MP Level:

- Recommendations of MP were not in the prescribed format of guidelines. (Kancheepuram)
- Majority of the sample works (86%) of cost above Rs.5 lakh each were recommended to Trusts/Societies. As the data on works recommended/sanctioned to Trusts/Societies at district level were not maintained/available at DA office, the above pattern of majority of the bigger projects being allotted to Trusts/Societies under the scheme shows biased distribution. (Surat)
- As informed by DA, selection of implementing agency (IA) in some cases was done by the MPs concerned. (Raigarh, Bhopal, Ghaziabad, Almora)
- MPs were not attending the review meetings organized by DA. (Puri)

State Nodal Department (SND) Level

- Although a Review Committee at state level under the Chairmanship of Chief Secretary/ Development Commissioner/ Additional Chief Secretary was functioning, exclusive review of MPLADS works was not done. It was always combined with other schemes of the State Government (West Singhbhoom)
- There is no State Level Review Committee set up/ functioning to review the MPLADS works in the state of U.P. (Bareilly, Gorakhpur, Etah, Ghaziabad)
- There was no specific periodicity for convening the meetings of the State Level Review Committee for MPLADS. (Sirsa, Mumbai Sub-urban)
- There were no records of the minutes of the meetings of State Level Review Committee besides keeping a record of attendance, for follow up on action taken. (Sirsa)

- Although data were available with the District Authority, the same is not being hoisted on website by the SND presently. (West Singhbhoom)
- Hoisting of data on MPLADS website was not done regularly by SND (Raigarh, Kancheepuram, Bhopal, West Singhbhoom, Cachar, Bareilly)

District Authority (DA) Level

- Scrutiny note for sanction of the proposals received from MPs was general in nature and did not include observations regarding adherence to the guidelines. The sanction letter did not indicate many of the important conditions of MPLADS guidelines (except few conditions with respect to opening of savings bank account by the IA, agreement to be signed with DA in case of Trusts/ Societies etc., and stipulation for return of unspent balance with interest). In cases where community infrastructure and public utility building works were sanctioned for Society/ Trust, agreement as per Annexure-V of the scheme guidelines was not obtained. (West Singhbhoom)
- There was lack of coordination between DA and IAs, which resulted in excess time taken for completion of works. (Chittoor, Dadra & Nagar Haveli, Sikkim East)
- Advance was released by DA strictly not as per extant scheme guidelines (Kancheepuram, Bhopal)
- In majority (96%) of cases, entire amount was released in one installment as advance and the norm of release of second installment after 60% of advance has been utilized, was not followed. (Kurukshehra, Bijapur)
- In 50% of the sample cases, DA released 75% amount as advance and in 12% of sample cases the advance released was 100%, against the norm of 50% advance. (Raigarh)
- There was not in place a system of work wise advance to the IA, which restricts the DA to arrive at the work wise balance of unspent funds. Presently the bills of contractors are settled by the IA on "Running Account" basis, irrespective of works carried out by them.
- Advance and final installments were released after sanction of work in some cases, which did not lead to completion of work (incomplete work) (Kurukshehra)
- There was no display of MPLADS works (completed and in progress) on a board in the office of the District Authority (Raigarh, Kurukshehra)
- Monitoring and inspection of works by DA as per guidelines was not regularly done. Data on dates of inspection, back-to-office reports were not available. DA expressed the limitation of staff even for 10% inspection of works. All the works awarded to Trust/Society were not monitored as per guidelines. (Alwar, Sirsa, Sikkim East)
- DA was not forwarding MPRs in the prescribed format to the State Nodal Department (Puri)
- Asset register was not maintained/ not giving correct status of projects/ or was not strictly as per Annexure-IVD of scheme guidelines. (Puri, Alwar, Bijapur)

- DA was not supplying the photographs of each work costing Rs.5.00 lakh or above to the Ministry. (Puri)
- Even though exclusive review meetings were organized by DA for MPLADS, no proper follow up was taken. (Puri)
- Even though the DA had given the responsibility of monitoring, supervision, documentation, upkeep of records, data updating on the website, etc. exclusively to a separate Department (Office of Deputy Economic and Statistical Adviser), the upkeep of records, data updating on the website, etc. required considerably more devoted attention as the complete set of data were not available with them/ or on the website. (Jalandhar)
- DA is yet to develop MIS and compilation of data is done manually. (Sikkim East)
- Data maintaining by the DA related to list of all sanctioned works with present status (computerized or hard form) was extremely poor. Data on various dates (like date of recommendation, date of sanction, date of release of installments, date of completion of work, date of submission of MPRs, WCR, UC, unspent balance, etc.) in respect of all sanctioned and/or completed works were not maintained or made available. There were wide gaps in time series of data availability for different years since inception of the scheme and also some inconsistencies/mistakes in data that was made available, e.g. on present status of work, name of nodal/implementing district, etc. (Kurukshetra, Sirsa, Jalandhar, Murshidabad, Ghaziabad, Purulia)
- While maintaining the data, name of the works was not given in detail, which leads to difficulty in identification of the work for monitoring in the field. (Bijapur)
- Data on works implemented in SC and ST areas (combined or disaggregated) under the scheme were not maintained by DA. (Etah)
- Data on works implemented in SC areas and ST areas (combined or disaggregated) under the scheme were not available for years prior to 2006-07 (Mumbai Sub-urban)
- Data uploading on MPLADS "Works Monitoring Software" was not done. Instead, the DA was making use of software "Raj Pragti" developed by Rural Development Department of State Government (Alwar)
- DA did not devise a mechanism to transfer/ hand over the assets created under MPLADS to an agency (UA) identified during the process of implementation, even after sanction of work. This was creating uncertainty about which agency (UA) shall take over the responsibility of upkeep and maintenance of asset. (West Singhbhoom, Ghaziabad, Almora)

Implementing Agencies (IA) Level

- There was lack of prompt reporting system at IA level in submitting the returns like MPRs, WCRs, UCs/ refund of unspent balance to the DA. The returns as per guidelines were either not submitted/ partly submitted/ or submitted after, considerable elapse of time by IAs. This resulted in difficulty for the DA to maintain authentic and up-to-date data on all works. (Chittoor, Guntur, Raigarh,

Kancheepuram, Bhopal, West Singhbhoom, Etah, Bareilly, Cachar, Alwar, Mumbai Sub-urban, Madhubani)

- Some implementing agencies (IAs), particularly PRIs and Societies/Trusts as also Govt. Departments, were not adequately staffed with the competent technical manpower for technical appraisal, cost estimation and effective monitoring of the works. IAs were generally constrained to restrict the cost estimates of work as per recommendation of MP in order to avoid taking revised recommendation in case their technical estimate was higher than the MP's recommended estimate. (Raigarh, Bhopal, Gorakhpur, Etah, Sikkim East)
- No separate account for MPLADS works was being maintained by IAs, as a result of which the details of interest to be paid on unutilized amount or on refund of advance couldn't be calculated. (Almora)
- Plaque indicating the name and other features of the MPLADS work was not installed by IA for identification of works (Kancheepuram, Ramnathapuram, Bhopal, Bijapur)
- Transfer of assets to UAs was not immediate, and it was often delayed. (West Singhbhoom, Ghaziabad, Almora)
- Transfer of asset to UA was not through a written document (Cachar)

User Agencies (UA) Level

- Some of the works were misused (in use for the purpose other than the purpose envisaged while sanctioning the work). (Bijapur)
- In case of Government Departments acting both as UA and IA, there was no fund allocation for maintenance of assets created under MPLADS, leading to lack of maintenance and, in turn, deterioration of asset quality. (Sikkim East)
- Lack of funds for maintenance was a general limitation in almost all the districts.

III. Adherence to Scheme Guidelines by Various Agencies

- All agencies viz., SND, DA, IA, and UA, operating as integral parts of the organizational structure of implementation of MPLADS generally adhered to the terms and conditions of the scheme guidelines, which led to a more or less smooth implementation of the scheme even under stressful situation. The above aspect is reflected from generally good use and impact of the assets created under the scheme on local economy, physical environment and social cohesiveness. This feature (adherence to scheme guidelines) was also observed at ground level during field study, based on discussions with officials and observed practices of maintenance of records, registers, data, etc. by different agencies involved in implementation (although there is scope for improvement on this last count).
- Close coordination and endured cooperation among the agencies at different levels was maintained, which is reflected in a smoothly operating process of implementation of projects, right from recommendation up to completion, over the years since inception of the scheme in 1993-94. Here also, there is room for some improvement, because the severe staff constraints could lead to more visible

stresses and fractures in the process of inter-agency coordination for implementation, in the coming years.

- Operational system in different agencies was well streamlined, and the officials implementing the scheme were *conversant with the norms and provisions*, although some "delays" (extra time taken by agencies) were observed. The so-called delays were natural, because this by and large involved *unplanned* (though useful) creation of physical structures.
- *General observations on adherence to major points/clauses* of the scheme guidelines by each of the specific agency (SND, DA, IA, UA) involved in implementation of MPLADS in 43 districts are indicated as under:

o State Level operations by SND:

- State Level Review Committee under Chairmanship of Chief Secretary, etc. was set up in almost all the States/UTs for MPLADS review and it was functional.
- *Annual* review meeting at state level was held in majority of the districts as per scheme guidelines (1-2 bigger states like U.P. were having some problem in organizing state level review committee, but there was *Division* level review system in vogue there, as per guidelines)
- Participation by other Departments in review meeting is ensured.
- State Nodal Departments were organizing training programmes on MPLADS implementation for the DA officials.
- SNDs were also generally arranging for auditors for proper auditing of MPLADS accounts/fund/works of DAs.
- SNDs were hoisting data on MPLADS website, but they were constrained in their act by some of the DAs not updating the same in their respective districts on regular basis. The reasons for the same are indicated under "District Level operations by DA".

o District Level operations by DA:

- Funds were released to IAs in two installments as per guidelines, although there were few districts which deviated from this guideline and released the entire amount in advance (single installment) for some of the works.
- Monthly review meetings are conducted regularly by the DAs (in almost all districts). However, MPs were not invited/ did not attend. In few districts, MPs were proactive in monitoring and taking review of works.
- Displaying of list of works on a board at the DA office was done only in select districts, as this was getting just impossible to capture the entire list of thousands of works on the board.

- Maintaining the MPLADS monitoring software, its use in data/ records about all works was done in some districts and that too not regularly, as there were practical difficulties like, lack of trained/computer-savvy staff, lack of computer training, availability of computer, lack of focus on maintaining data, dual involvement in other scheme/tasks, etc.
- DAs were attending to all complaints (if any) from public (in majority of districts).
- Monitoring and inspection of minimum 10% of all ongoing works was done by DAs as per guidelines (some districts). DAs exercise adequate vigil in awarding works to Trusts/Societies by collecting background information, history, its operations, credibility, etc. This effectively checks the problem of "adverse selection". But still there were few instances of overstepping the guidelines.
- 100% visiting of works awarded to NGOs/ Societies/ Trusts was done in most of the districts, with the exception of few works in some districts.
- Some districts are yet to follow the practice of taking photographs of works.
- Asset register was maintained properly by some of the districts.
- Identification of a User Agency and formal transfer of assets to the UA with prior commitment for upkeep and maintenance of asset, was not followed as per guidelines in most of the districts and for majority of the works.

o Implementing Agency Level operations by IA:

- IAs (including PRIs, Trusts and even some Govt. Departments) generally did not have adequate and competent staff to appraise the proposals and do costing for technical sanction.
- Regular monitoring and site visit of all the works by IA is done in almost all the districts.
- Work wise MPRs and UCs, etc were not regularly submitted to DA as per guidelines in some of the districts
- Some districts did not return the unspent balance to the DA within prescribed period. Interest accumulated on unspent balance was also yet to be returned to DA.
- Plaques were installed/observed for identification and public information only in some districts and for some of the works.

o User Agency Level operations:

- In the absence of user agencies generally not identified by DA (before/after sanction of project) as per guidelines, no formal transfer of assets after completion, no firm commitment taken for upkeep and maintenance in most of the cases of works and in most

of the districts, there were deviations from the scheme guidelines on upkeep and maintenance of assets created under MPLADS.

- In few districts, like Mumbai Sub-urban district, UA was identified in 100% cases of works strictly as per guidelines.

IV. General Observations on Implementation Process as a Whole

- Projects were generally recommended by MPs throughout the year, as it was not feasible/practicable to restrict the process to first quarter (90 days) of a financial year (all districts). However, there were few (1-2) districts where major chunk of the recommendations were submitted to DA in the first quarter itself and the balance were fairly/evenly spread over the remaining quarters in descending numbers.
- In few districts (like Mumbai Sub-urban considered as "Implementing District") a large number of works were implemented as they were recommended by MPs from some other "Nodal District". On the other hand, in case of some districts (like Kurukshetra considered as "Nodal District") a large number of projects were implemented in other "Implementing Districts" (10-12 such districts) but recommended by MPs from Kurukshetra acting as "Nodal District".
- Some districts sanctioned the projects within prescribed 45 days after recommendation was received. In other districts, DA took extra time in sanctioning of works due to land acquisition/ formalities, time involved in taking clearances, identification of proper IA, etc.
- Most of the works were executed through Govt. Departments identified as IAs. Only few cases involved tender mechanism/ works contractors.
- There were instances of extra time taken in completion of works, though some works were completed well within the time frame as per guidelines.
- DAs in some cases did not maintain the data on date of recommendation received from MP.
- DAs in some districts also did not maintain data related to various dates, e.g. information on date of sanction / date of release of advance/ date of release of second instalment/ date of completion in respect of all the works. This lack of existence/availability data at the level of DA/IA disabled the proper analysis of sample works in their true perspective.
- Generally the DA maintained MP wise accounts in the nationalized banks (all districts). IAs too generally maintained separate MPLADS account.
- IAs were generally slow and lacklustre in keeping proper records of the date of completion of works and submitting WCR in time (within 30 days of completion of work) and UC as per guidelines. Some IAs had managed to involve (with the help of DA) Gram Panchayats in the upkeep and maintenance of assets created under MPLADS, as there were practical problems in identification of agencies/entities that would act as UAs for the purpose. Even those UAs, which were systematically identified to act as UA, had faced the problem of sources of funds and budget for maintenance of assets.

V. General Observations on Quality, Utility and Impact of Works

- There was generally good response for continuation of the MPLAD scheme from general public, as they expressed satisfaction about various aspects of the works (selection/ identification of works, selection of site, involvement of GPs at various stages like selection of work/ decision-making/ implementing agency/ formal identification as user agency/ involvement as user community, etc. as an emerging phenomenon, implementation process, meeting locally felt needs, proper utility and positive impact)
- Rating of quality of works was generally (in majority cases) observed to be "good" (rating above 7 on scale of 10) or "satisfactory" (rating 5-7), in the perception of the study team which included a technical expert (for all districts). The rating of quality of assets visited by the study team generally matched with the common perception of the user community/ general public/ user agency. Only in few/ minority cases was the rating of quality of assets observed as "poor" (rating below 5).
- The study team observed that the use of the assets created under MPLADS was generally "good" or "satisfactory". Mostly they were utilized for the purpose other than for which the assets were created.
- However, durability and sustenance of works would be eroded in the long run if the upkeep and maintenance of the openly situated assets (like buildings, roads, bridges, etc.) is not adequately taken care of on regular basis.
- There was positive impact of the MPLADS works on local economy and social cohesiveness in the perception of majority of local community (90-100%) in all the districts. Physical environment had also witnessed a positive impact (like hygienic and safe living conditions due to pucca drainage/ drinking water, reduction in dust due to pucca village road, etc.) or at least neutral impact on possible vitiating of physical surroundings/atmosphere) due to the works.
- Specific benefits derived by the community at large from MPLADS works were documented for each sample work mainly in the form of, e.g. better connectivity due to roads/bridges, safe drinking water, hygienic living conditions due to toilet facility/drainage, proper lighting due to electrification, social gathering and social functions at community halls, public library and reading facility, better health and reduction in physical pain/suffering due to medical facility, better health and career option due to sports/stadium/gymnasium facility, education to girls/migrants/poor children due to additional classrooms, and even irrigation water (to some extent), etc.(all districts). On the whole, people expressed a feeling of content about the scheme.
- The scheme has fulfilled the avowed objective of meeting the aspirations and expectations of the local people in a decentralized, participatory manner and they felt that there is marked improvement in the physical well-being and social living conditions of the local population.
- Benefits generally accrued to all sections of the society, social classes, social caste groups, areas (SC/ST, rural/urban/metropolitan) equally in all the districts.

(recommendation, identification of work) and it became a characteristic feature of the scheme in all the districts.

VI. Policy Issues Related to Changes in Scheme Guidelines

The policy issues related to the need for changes in scheme guidelines were earlier suggested to the Ministry in detail (copy already submitted separately). However, an overview of the *main policy issues* on scheme guidelines is presented as under:

- The guidelines may clearly spell out, what constitutes the term "locally felt needs" of the local population.
- The clause on recommendation by MPs within 90 days of the beginning of the financial year needs modification.
- To provide in the guidelines that MP may receive technical help/ estimate of work directly from the Technical Department of the State Government, if he desires (but not from works contractor)
- The role of Gram Panchayats (GP) to act as IA may be given a clear/preferential status in the scheme guidelines, with the provision that Technical Departments of the State/UT Government shall provide technical support to the GPs for estimation, etc.
- To enhance the annual entitlement of the MPs suitably in accordance with the observed positive impact and utility of assets created under the scheme.
- Similarly, to modify the clause on contingency fund and enhance the size of contingency fund to cover some more items like outsourcing the task of maintaining data, meeting the cost of floating tender, installation of plaque by IA, etc.
- The list of prohibited works (Annex-II) may delete the item on maintenance type works in the interest of durability and sustainability of assets.
- To include the coverage of items of infrastructure like *unaided schools* (hitherto not covered) under "Education" sector and other movable and immovable assets (computer, ambulance, hearse van for Trust/Society/NGOs) in the scheme guidelines.
- Guideline at clause 1.5 may incorporate the provision for exclusive MPLADS cell at district level for better implementation of the scheme in view of the dissipated focus of the DA officials in the involvement of MPLADS.
- To replace the term "work" with "scope of work", as it would make it impossible or at least difficult for IAs to tinker with the measurement, dimensions and quantum of project/work, in clause 3.4 of the scheme guidelines.
- To make it specific and mandatory in clause 3.6 of the scheme guidelines for the DA to identify a User Agency for each work (preferably before sanction of work, or at least after sanction and during the course of execution of work).
- To include the provision of outsourcing of jobs relating to maintenance of MPLADS "Works monitoring software", data uploading, data updating and maintaining data on all works on continuous basis in clause 3.16 of the guidelines.

- To include a list of specific documents (indicative only) that need to be provided for identification of veracity and credentials of a Trust/Society as IA in the scheme guidelines. For example, the following list was suggested for the benefit/use of the DA:
 - Registration Certificate
 - List of members in the Managing Committee
 - Annual Report for the last three years
 - Audit Report for the last three years
 - Documents supporting the ownership of land
 - Enquiry report of the Additional District Magistrate.
 - Enquiry report of BDO, District Collector Office about reputation/ activities of NGO/Trust
 - Other similar documents as available
- To include a standard format for Asset Register for use by the DA, in scheme guidelines.
- Specific changes/modifications were required to be effected in all the Annexures ("Annex-I to Annex-IX") to the scheme guidelines (copy already submitted to the Ministry separately)
- Specific changes in the *structure/format* of the scheme guidelines may be effected (copy already submitted to the Ministry separately).

VII. Suggestions and Recommendations

- There is a need to institutionalize an appropriate mechanism for concurrent/regular/on-going monitoring of all MPLADS works in order to ensure the quality of works at implementation stage.
- There is a need for institutionalising an appropriate mechanism for proper upkeep and maintenance of all assets created under MPLAD scheme.
- The Ministry may consider carrying out a thorough study of the possibility of levy of users' charges, particularly on bigger projects, in order to enhance the practical sustainability of assets created under MPLADS.
- The annual entitlement of MPs may be enhanced in view of the public utility of the durable works created under the scheme.
- The scheme may be continued in view of the overall positive/beneficial impact of the scheme on local population.

VIII. Overall Impression about Monitoring Study of Districts Covered in Phase-III of MPLADS

The implementation of MPLAD scheme in 43 districts covered under phase-II of the monitoring study was generally observed as satisfactory. The observations gathered from field study revealed a mix of largely positive and few negative aspects of implementation of the scheme. The positive aspects of the scheme implementation outweighed the few negative aspects. Majority of the works implemented in the districts were in the eligible categories/ sectors and for eligible purposes/activities. The identification of works and sites (areas) was truly in the spirit of "felt needs" of the local communities with majority of the works being in the cost category of small

works (less than Rs. 2 lakh), although the studies in the districts involved the samples of cost Rs.5 lakh and above as per terms of reference suggested by the Ministry. The works implemented in the districts covered backward areas, remote areas, SC areas, ST areas, etc. among others like rural, urban and metropolitan areas. Although in select cases the sanction and completion of works took some extra time due to various reasons as explained in the reports and summarized above, the works were generally completed in time (within one year) and put to use by the local community/ user agencies for public use.

A striking feature of the studies was that the quality of works verified from physical aspects/ features of works and observations made during field study was mostly good/satisfactory, both in the perception of study team as well as perceived by the local community. The overall impact of the works on local economy and social dynamics of community life was generally positive. However, maintenance of works, particularly roads, was an area of concern. Ongoing/concurrent monitoring of projects as per guidelines was also witnessing some limiting factors like staff shortage, lack of standard schedules/ reporting system after monitoring and physical inspection, etc.

The agencies involved in scheme implementation (SND, DA, IA, UA) were generally reported as adhering to the scheme guidelines, which made the implementation of scheme quite easy and smooth. However, there were also observed some shortcomings in implementation of the scheme, like related to the areas of maintaining data in computer, updating the status of works in MPLADS website, inspection/ monitoring, periodic review, submission of returns, MIS, etc., which may be duly taken care of by more training and sensitisation of officials not only at DA level but also at the level of IA and SND. The lessons learnt from the disquieting aspects of the scheme and shortcomings observed may be communicated by the Ministry to various agencies concerned for necessary corrective action.

At macro level, the achievement of the MPLAD scheme appears incomparable with other schemes. First, this is the only scheme at all-India level, which focuses on decentralized approach to scheme implementation based on involvement of the local communities, groups, sections of peoples and individuals right at the ground stage of identification of works/ facilities required as per the "felt needs" and wish list of the local people. Second, with about 10 lakh works completed by utilizing the funds worth Rs.16,000 crore since inception of the scheme (in a span of 15 years) in different states and UTs, the likely impact of the scheme on local economy and social dynamics of the communities in rural and urban areas is expected to be significant, as borne out from findings of the 43 districts covered across 24 States and UTs in phase-II of the monitoring study.