

*Review of Processes and Institutional
mechanisms of program implementation
and service delivery*

**Submitted to the Expenditure Reforms
Commission, Government of Karnataka**

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Executive Summary

Government systems and processes in India have been under constant scrutiny for efficiency and effectiveness by citizens, civil society groups, the legislature, etc. There is a common perception that governments are inefficient, corrupt, and full of leakages due to which intended beneficiaries remain under served and neglected. The Karnataka Administrative Reforms Commission report of 2001 and the Second Administrative Reforms Commission Report of 2009 point to some of the glaring lacunae in our administrative system today and reiterate the urgent need to redesign and energise the system.

In this report to the Expenditure Reforms Commission constituted by the Government of Karnataka, CBPS examines the effectiveness of institutional mechanisms in the State of Karnataka for service delivery of various government programmes. This report seeks answers to questions such as; are the institutional mechanisms geared to embrace large social sector spending or are we putting money down an already weak and leaking drain? Does the expenditure shown in the budget reflect actual need and priority for people in towns and villages? Is it arrived at after a process of need assessment and priority setting? Is the budget allocated spent efficiently on the intended beneficiaries? Is the transition from a 2 tier federation to a multi-level federation, as it is taking place in India today after the 73rd and 74th constitutional amendments, too slow?

Findings from this study show that Karnataka has many firsts to its credit but unfortunately has not been able to sustain several of these changes due to its institutional weaknesses. From what it achieved in the late 1980s, the State government has been reducing devolution as a strategy to improve governance. As a result there is increasing centralisation in all aspects of planning, implementation and monitoring of programmes at the departmental level. That apart there is an urgent need to address some of the human resource concerns within the government machinery such as indiscipline, motivation, poor monitoring and absence of adequate performance evaluation methods. Several officials interviewed had never been given job descriptions!

The State's finances also present a dismal picture with several procedural loopholes that impact the implementation of development programmes. Lack of proper budgeting processes, delays in disbursement of funds, approval of budgets, limited powers for reallocation at the field level, absence of audit reports in some levels of the government are a few of the problems that affect the financial health of the State. A serious concern that affects service delivery is the lack of co-ordination between and

across line departments which has led to the duplication of several schemes for the same beneficiary groups. Collaborative effort between departments would not only reduce the number of schemes, decrease transaction costs and increase effectiveness. But it is not likely in the existing system as ministries and departments multiply. Where there was once one Minister and one Department of Education, Karnataka now has 5 – Primary education, Technical Education, Higher education, University and Medical Education.

It is believed that Central government schemes perform better than State government schemes due to availability of clear guidelines. Accountability is also said to be much higher in central government schemes due to stricter monitoring by teams from the Centre. There were no equivalent state schemes for us to make a performance comparison. When there is a central scheme, the state seems to opt out.

The non-availability of quality data has proved to be a major challenge in operationalising this study.

Several recommendations have been laid out in this report; highlighted below is a **summary of recommendations**:

- There is an urgent need for a **vision and implementation strategy** for all departments. The MDGs are a useful summary. While the larger objectives are broad, a set of activities to meet the desired objectives must be developed. Currently this practice does not exist and instead schemes with little flexibility are being implemented. We recommend a complete revamping of government programmes into activity based implementation instead of schemes and programmes. The role of the State is that of broad objective setting whereas implementation of activities must rest with the local government, district/urban agency.
- **Re-organising fiscal processes** such as adoption of direct transfer of funds to PRI under the respective PRI account heads as prescribed by the CAG, devolution of funds to local governments, strengthening of district treasuries, etc are matters that need urgent attention. PRI's should be connected to the Treasury Network Management Centre to facilitate real time access to their funds in the treasury.

- Local governments must be encouraged to **maintain asset registers** as per the CAG recommendation. Asset registers aid in better estimation of maintenance expenditure. 13th Finance commission provision of Rs. 1 Crore for creation and maintenance of databases may be utilised for this purpose.
- Overall, the **estimation of salary component** can be done away with. This is a time consuming exercise for each department which may very well be done by the Finance department using the HRMS database which generates the pay-bill of all employees.
- **Use of technology**, especially information technology, to streamline several processes which can lead to maximising efficiency and minimising loss of time, avoid duplication of beneficiaries etc.
- **Rationalisation of human resource** and reviewing the human resource requirements based not on the old sanctioned post but based on the current nature of services and skill requirements of the department will be a useful exercise to undertake. Adopting management principles in dealing with government officials and conducting **regular management audits** are a few other areas that must be focussed on.
- The government must reinvent itself as a **provider of reliable service** by committing to a **service level agreement or guidelines**. These guidelines define the quality parameters of service delivery and the redressal mechanisms for poor service. Madhya Pradesh and Bihar have recently passed laws to this effect.
- **Government as regulator:** In the current system, departments play multiple roles, including policy formulation, operations / service delivery, regulation, monitoring and evaluation. Some of these roles are mutually conflicting and the overall organization is not well suited to performing all these roles effectively. Though there may be different guidelines for Union schemes and State schemes, the final implementation of all these programmes are by the same state staff at the district level (except independent societies). In some instances, exclusive departments have been created for implementation of programmes like the Department of Women and Child Welfare for implementation of ICDS. Instead of these vertical departments project groups or a matrix organisation without department and cadre etc may be considered. It is recommended

that in identified departments like Health, Education, Social Welfare etc, the feasibility of separating these roles and consequent reorganization based on the 73rd and 74th Amendment to the Constitution of India should be examined in depth.

Most importantly, we are convinced that a deeper appreciation of the federal structure within the constitutional framework of the 73rd and 74th amendment is a key to success in Karnataka's efforts to improve expenditure effectiveness. Local governments must take over implementation and must be provided resources and technology by the State.

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Acknowledgement

We are grateful to the Chairman of the Expenditure Reforms Commission, Shri B.K.Bhattacharya for giving us this opportunity to contribute to the discussion in the State on the quality of service delivery and public expenditure. We would like to thank all the members of the Expenditure Reforms Commission for their feedback and comments, which have helped us improve earlier drafts of this report. Dr. Devi Prasad and Mr. Srinivas Kumar of the Fiscal Policy Institute were most helpful. We would also like to thank the ERC for facilitating and coordinating with the different Departments and Consultants whenever required. We are grateful to the many officials we met for the time they have spared in talking to us. This co-operation has been most helpful.

Opinions expressed in this report are those of the authors alone, as is responsibility for any errors. None of the agencies we have contacted necessarily shares any of these views.

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List of Abbreviations

ERC – Expenditure Reforms Commission
CBPS – Centre for Budget and Policy Studies
ZP – Zilla Panchayat
TP – Taluk Panchayat
GP – Gram Panchayat
NRHM – National Rural Health Mission
NHM – National Horticulture Mission
DHO – District Health Officer
DPMO – District Project Management Officer
AMO – Administrative Medical Officers
NGO – Non Government Organisation
PPP – Public Private Partnership
NREGA – National Rural Employment Guarantee Act
IDPMS – Indo-Dutch Project Management Society
RTI – Right to Information Act 2005
DDO – Drawing and Disbursing Officer
GO – Government Order
ITI – Industrial Training Institute
BWSSB –Bangalore Water Supply and Sewage Board
KUWSDB – Karnataka Urban Water Supply and Sewage Board
CR - Confidential Report
CD – Compact Disc
PIP –Project Implementation Plan
PMES – Performance Monitoring and Evaluation System
TB – Tuberculosis
RCH – Reproductive and Child Health
AO- Accounts Officer
O&M – Operations and Maintenance
DPC – District Planning Committee
GS- Gram Sabha
DD (hort) – Deputy Director Horticulture
MPIC – Monthly Performance Implementation Calendar
SSA- Sarva Siksha Abhiyan
TOR – Terms of Reference
CAG – Comptroller and Auditor General
MDG – Millennium Development Goals
UN – United Nations
WHO – World Health Organisation

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Background

The Expenditure Reforms Commission (ERC) was constituted by the Government of Karnataka (vide GO No FD 76 Sa. Ma. Ya 2009 dated 6.6.2009) with the objective of advising an appropriate strategy to reduce expenditure on less productive programmes and utilize the consolidated resources in increasing efficiency of implementation of more productive programmes (Term of Reference, ERC, dated 29.09.2009). In order to fulfil these objectives, the ERC chose to work in partnership with expert institutions and consultants. Centre for Budget and Policy Studies (CBPS) is one of the organisations which was entrusted the task of undertaking two studies (i) Review of Processes and Institutional mechanisms of programme implementation and service delivery (Study 1) and (ii) Levy of user charges for providing services by selected departments (Study 2). This is the report of Study 1.

CBPS embarked on this study in October 2009 with the submission of an inception report outlining the methodology and the scope of the two studies. An interim report was submitted to the ERC in the beginning of January 2010 which highlighted some of the key issues that were to be covered in greater detail in this report. Since more time was available as the ERC got an extension, this report, a culmination of the work undertaken in the last year and few months, is organised as follows. Section 1 discusses the Terms of Reference, the scope and methodology of the study, challenges and the timeline followed. Section 2 provides a background to programme implementation and service delivery in India and Karnataka. Section 3 discusses the key findings while Section 4 provides detailed recommendations. Section 5 concludes with a summary of recommendations.

1.0 Terms of Reference

The ERC set up by the Government of Karnataka provided an opportunity to study a few government departments and offer recommendations on increasing efficiency of programmes and reducing less effective expenditure.

According to the Terms of Reference, this study is intended to bring out actionable suggestions relating to suitable design(s) as well as operational framework to improve the performance of Schemes/Programmes implemented /sponsored by various departments of Government of Karnataka, with particular focus on their efficacy and development effectiveness as well as their relevance in the present form, and organisational arrangements. In this direction the study inter alia, may cover

involvement of private or non-governmental organisation in service delivery, and ways to ensure their accountability. The CBPS study would focus on the effectiveness in the existing collaboration & consultative process among and also between the line departments (as specified below), Finance Department, and the Planning Department, which are expected to ensure designing, financing, operating and reviewing various schemes/programmes/projects within a given overall macro framework/point of view suited to growth of the economy and poverty alleviation. Further the TOR-1 also specifies that CBPS will also focus on assessing perceptible (relative to needs) impact on the department's mandate, primarily through efficacy, efficiency and quality of expenditure, rather than on need assessment.

1.1 Scope and Methodology

According to the TOR, the methodology and deliverables relevant to Study 1 are as follows:

- i) *The Study-1 would be undertaken based on primary data from sample districts as well as discussions with concerned officials of various departments including the Chief Executive Officers (CEOs) and the Chief Accounts Officers (CAOs) of few Zilla Panchayats in a meeting at Bangalore and also data from secondary sources. The Commission would facilitate attendance of selected officers at one or two meetings to be organised by the Consultants. While the cost of travelling by such officers and their allowances are borne by the respective departments of the Government, the cost of organising those meetings in Bangalore would be borne by the Consultants.*

Primary data was collected by way of collating annual accounts of all Zilla Panchayats from 2003-2009, administering questionnaires, conducting in-depth interviews with key officials, and also by observing monthly review meetings at the Taluk and Zilla Panchayat level. In addition, secondary information in the form of performance budgets, annual reports, organisation charts, web pages and link documents of various departments have been referred to. CBPS was unable to organise a meeting of all Chief Accounts Officers, as original planned, because data from all the districts did not reach us in time to arrange for such a meeting. Additionally, CAO's were also busy during December 2009 with the preparation of budget estimates for 2010 and this problem was explained to the ERC. However, CBPS arranged for exclusive interviews with the CAO's during our field visits in Mysore, Shimoga, Dharwar, Bidar and Chamrajnagar. Detailed list of interviews are provided as annexure.

- ii) *The Consultants, in the context of reviewing the cost effectiveness, and efficiency of a Scheme/Programme implementation would also map the (i) decision making process at various levels; (ii) flow of funds; and (iii) the expenditure tracking mechanism and identify the programme design issues, procedural and other bottlenecks in implementation and/or gaps that are required to be addressed by the Commission.*

CBPS has done a detailed analysis of the programme implementation from the State level to the Village level. With the help of data received from the Zilla Panchayats, expenditure tracking has been done for Dharwar, Chitradurga and Mandya. A receipts and expenditure analysis for these districts and Shimoga (using previously collected data) has also been completed. Through interviews with CAOs and other officials, we have traced the flow of funds and bottlenecks in the system, including the Treasuries. Section on findings and recommendations will deal with these in detail.

- iii) *The Consultants should consider best practices in the sector in other states and/or at the national level, while making its recommendations.*

Wherever applicable, CBPS has provided references and examples from other states and countries as well.

- iv) *The Study Reports/Recommendations by the Consultants would be presented in two parts. While the first part would deal with points/recommendations relating to schemes / programmes across the departments, the second part would cover points/recommendations for specific department(s). CBPS was entrusted with the task of studying 10 departments¹ using information provided by other consultants. They are:*

- 1.Primary & Secondary Education*
- 2.Vocational Education*
- 3.ITIs (Skill formation) from the Department of Employment & Training*
- 4.Social Welfare*
- 5.Public Works Department*
- 6.Minor Irrigation Department*
- 7.Urban Water Supply and Drainage*
- 8.Health*
- 9.Agriculture*
- 10. Horticulture*

¹ As per the TOR for Study-1

During the initial meetings with the ERC, it became clear that other consultants such as KIPA, IPAI, ISEC etc would be dealing with specific departments. While these consultants would be providing an in-depth analysis of the programmes and schemes implemented by these departments, CBPS would draw on this data in our own research and focus specifically on the institutional mechanisms of service delivery.

An initial round of questionnaires on institutional mechanisms was distributed to all the above mentioned departments in November 2009. However, only one department i.e. Horticulture responded within one month. After repeated reminders to the remaining departments, ITI's -Department of Employment and Training, Department of Minor Irrigation and Department of Education sent in a partially filled questionnaire. Department of Health and Family Welfare also sent in their response after several visits to their office. Department of Agriculture sent in their response in July 2010 following which the officials were not available for a detailed discussion. The remaining departments have not responded despite repeated reminders. Other consultants faced similar problems and were not able to contribute much to CBPS's study. Such poor responses from these various departments prompted CBPS to select two departments. The department of Health and Family Welfare and the department of Horticulture were selected. The rationale for this selection was (i) the co-operation extended by the officials during the initial stages of interaction and (ii) CBPS had prior experience in the field of health which could be leveraged suitably for this study as well. We would also draw on the expertise of Karuna Trust and their study. This was agreed to by the ERC in February 2010, as the Chairman and officers were fully aware and sympathetic to the problems in data collection from government departments.

Due to lack of data i.e response to our questionnaires and request for interviews, it was decided that CBPS would provide overarching recommendations for all the departments after having considered the implementation in the said departments. CBPS examined the recommendations of other consultants and used our prior experience in this field to arrive at some of our own recommendations.

In order to obtain a holistic and balanced picture of the institutional processes, detailed studies were undertaken in Shimoga, Dharwad and Mysore. CBPS also joined the field visits organised by the ERC in Chamrajnagar and Bidar districts. Officials and elected representatives at the Zilla Panchayat, Taluk Panchayat and Gram Panchayat were interviewed. In Shimoga, where CBPS has been working intensely, we met with health department officials such as the District Health Officer (DHO), District Project Manager (NRHM), District Programme Officers for RCH and TB, and Assistant Medical Officer (AMO) - Sagara Taluk Hospital. Similarly, in Mysore we met with officials at the Mysore City Corporation, elected

representatives to the ZP and ZP officials. In both the districts, the team met with the Chief Executive Officer (CEO), Chief Planning Officer (CPO) and the Chief Accounts officer (CAO) of the Zilla Panchayat. In Chamrajnagar, the CBPS team met with the DHO and also visited a few PHCs selected by the district administration. Apart from this, the team also met with officials from the ZP accounts section who explained in detail the process of planning and fund flow in the district. In Bidar, CBPS team members met with the Chief Financial Officer (CFO) of the district and also interviewed the treasury officials to understand the bottlenecks in financial management at the district level.

v) The Consultants, as part of such review are also required to suggest any alternative set of institutional arrangement such as organisational structure for implementing a scheme, changes in any law or regulation and/or institutional arrangements. However, while making any such suggestions the Consultant would be guided by the need for operational feasibility within the existing constitutional framework and the broad scope of functional jurisdiction of various departments as defined in the Karnataka Government (Transaction of Business), 1977.

CBPS has drawn on the expertise of several senior bureaucrats, researchers, and academics in this field to arrive at some of our key recommendations, especially an alternative institutional arrangement of service delivery. Previous studies undertaken by CBPS, at various points in time have also been used in validating some of the findings and recommendations (available at www.cbps.in).

The scope of CBPS study on reviewing institutional mechanisms was further expanded to include smaller studies, findings from which have been integrated into this report. These studies include:

- Flow of funds from the State to the Gram Panchayat level. The process of tracing the funds was aimed at identifying some of the bottlenecks in the financial processes within the state and their impact on service delivery
- Functioning of the Directorate of Treasuries which complement the above study on fund flow. This report is submitted as an annexure.
- Institutional mechanisms which included understanding organisation structures, vision and implementation strategies, planning processes within the state and at the level of local self governments, allotment of duties, staffing patterns, human resource issues such as training, job descriptions, performance evaluation etc, monitoring and evaluation of programmes, reporting structures, composition of various committees that aid implementation, interaction between the legislature and the bureaucracy, and so on.

- Understanding the department of health and horticulture and its flagship schemes and how Central schemes compare to State schemes since both departments are recipients of two large Central mission mode programmes.
- CBPS has additionally also provided a report titled 'Health Budgets in Karnataka' that analyses the expenditure on health care in Karnataka and the report of a study on Absenteeism in Health care sector in Karnataka undertaken by IDPMS, one of our partner organisations.

As per the TOR, CBPS has contributed to the design of the common questionnaire as well as in sharing the interview guide used to study the institutional mechanisms with the Institute of Public Auditors of India and ISEC who sought our support. The draft of our report has been shared with the other consultants as per the TOR. Revisions based on several meetings held by the ERC have been made.

1.2 Challenges and Constraints

One of the most important tools in studying the institutional mechanism of various government departments came about as insights and constraints in collecting data from the various departments. These difficulties were very telling of the kind of problems with the institutions and quite revelatory of troubles that plague the government system. Even as consultants who had the backing of the ERC, accessing data and gaining a foot hold into the fortress called the government was tiresome. Described below are some of the main challenges and constraints:

- The *lack of organised data* within the government proved to be a major difficulty for this research. Through the monthly meetings we understand that data on various issues are being collected but unfortunately this data is not used for decision-making and therefore not stored in a systematic format. At these monthly meetings officials report on the targets and their achievements but are not focusing on outcomes.
- The appointment of nodal officers for each department who would interface between the consultants and the department were unable to facilitate the much needed interaction between department officials and the consultants. Some of them could not be reached on their phone numbers throughout the duration of this assignment. Those who were contacted redirected us or asked us to get in touch with whomsoever official directly. Probably, the nodal officers should have been higher ranking officials within the department hierarchy.
- The questionnaire responses that we did receive from a few departments seemed to have been given due to the pressure from the ERC and not because the officials saw it as useful exercise to

share information. There were several unanswered questions and large sections incomplete. More specifically, with regard to the data formats from the Zilla Panchayat offices, CBPS started receiving the completed data formats only after 3 months and that too after repeated phone calls to the Chief Accounts Officers.

- The time period or duration of the study is inadequate to undertake a review such as institutional mechanisms. Had we known a year was available, we would have organised the study differently. The initial 6 months and the extension do not add up to a working year. In addition, had the data been readily available in some organised formats, perhaps the time period would have been sufficient. To complicate matters, preparation for the budget 2010-2011 was underway followed by the budget session which went on till April 2010. All the officials were busy with either preparing the budget or in answering queries related to that and could neither provide the data nor spare time for detailed interviews.
- An enlightening activity for the team while doing this study was participant observation. Observing the monthly review meeting of Taluk Health officers and the video conference between the Principal Secretary – Health and all the district health officials, CEO and Deputy Commissioners in Shimoga gave an insight into not just the review process but also flagged several issues that have been discussed in the subsequent sections of this report.

Business as usual but not if it is RTI: It is interesting to note here that the district officials had not bothered to inform us about those departments for which data was not available with the ZP since it did not come under their direct control. Instead they had left those sheets blank. However when the same information was requested under the Right to Information Act, there were a flurry of phone calls from the officials giving explanation on the type of information in their possession, the formats it was available in, justification on why they needed more time to furnish the data etc. This clearly illustrates the lackadaisical approach of officials to queries that are “business as usual” and their responsiveness towards RTI request which imposes a fine for non-compliance.

1.3 Timeline

In what follows, the progress of work since inception to completion and final submission is highlighted (October 2009 to January 2011)

- **Preparation of questionnaires:** A set of questions to trace the institutional processes, including staffing, flexibility in implementation, flow of funds, was prepared and handed over to key government officials during personal meetings (Annexure 1). However, at the time of submission of the inception report only two departments had returned the completed questionnaire while two others submitted before the writing of the final report. Several others have not responded despite reminders from CBPS and the ERC.
- **Preparation of data formats for ZPs:** In order to trace the fund flow from the state to the ZPs a format (See Annexure 2 for details) had been prepared and sent as soft copy (CD format) to all the ZPs. The format aimed to analyze the fund flow position in the districts by looking at the amount allotted to each department in the ZP as per the link document, number of instalments under each release, total amount utilized, audit of accounts, etc. Simultaneously, the processes at the Department of Treasury such as the timely release of funds, issuance of government orders that authorize releases and payments, etc were also studied. An attempt has been made to analyze the data from one district of Dharwad for which data was available in an organized manner.
However there had been delays in despatching the CD's to the ZPs due to non-receipt of covering letters from the Department of Rural Development and Panchayat Raj. 21 ZPs had received it and responses were received from 18 by the time of completion of this report. An RTI application was also filed in February asking for the same information in an improved format from the ZPs. Several of them responded immediately with replies stating that they maintain only annual accounts, data was not maintained in the format we had provided and that they needed more time since it was the year ending and they did not have time to compile the requested information. About 6 ZPs (Dharwad, Udipi, Bangalore Rural, Dakshin Kannada, Tumkur and Mandya) have furnished information immediately after the RTI request. Simultaneously, a similar format was given to the state departments to track the flow of fund from the state to the ZPs. With the exception of Animal Husbandry, none of the other departments have returned the questionnaire.
- **Collection of reports:** Secondary information such as annual reports, performance budgets, scheme-wise brochures and also studies conducted by various departments have been collected.
- **Departmental meetings held at ERC:** Several meetings were also held in the office of the ERC where senior government officials were invited to interface with the consultants. Chairman, ERC facilitated

these meetings and department officials presented, in brief, the activities implemented by them in addition to voicing some of the implementation bottlenecks that hindered performance. Staff members of CBPS have participated in these meetings (See Annexure 3 for Schedule of Meetings).

- **Meetings with departments:** The ERC also arranged an initial round of meetings with several departments in their respective offices where the consultants were introduced to all the senior officials within a particular line department. At these meetings, officials made presentations on the functioning of the department and also engaged in a discussion on some of the implementation difficulties faced by them. However, these meetings were preliminary and were followed-up by the consultants who organised in-depth meetings with respective departments.
- **In-Depth interviews with key officials:** Meetings with officials of Health, Education, ITI (Department of Labour and Employment), Urban Development Department, KUWSSDB and Horticulture was conducted by CBPS. These meetings were structured on the lines of an in-depth interview using the questionnaire as an interview guide (See Annexure 4).
- **District visits:** Districts of Mysore, Shimoga and Dharwad were visited by the CBPS team in February and March 2010. During October and November 2010, along with the ERC team, CBPS visited Chamrajnagar and Bidar districts.

In Mysore, the CAO, CPO and Chairperson of the ZP, CAO and the Health officer of the Mysore City Corporation were interviewed. In addition one taluk health officer was also interviewed. In Shimoga, the CEO, CAO, CPO, DHO, Taluk Health Officers, District Project Management Officer of NRHM, Block Project Management Officer – NRHM, District Project Officer – RCH, AMO – Sagara Taluk, Deputy Director (Horticulture), Assistant Director – Horticulture, Shikkipura Taluk and current member and ex-vice president of Shimoga ZP were interviewed. In Dharwad, the CAO, AO and the district treasury officer were interviewed for the study on fund flow. In Chamrajnagar, the CBPS team met with the DHO and also visited a few PHCs selected by the district administration.

Apart from this, the team also met with officials from the Education and Social Welfare departments, Chief Accounts Officer of the ZP who explained in detail the process of planning and fund flow in the district. In Bidar, CBPS team member met with the Chief Financial Officer (CFO) of the district and also interviewed the treasury officials to understand the bottlenecks in financial management at the district level.

- **Participant observation:** While in Shimoga district, the CBPS team observed the review meeting between all Taluk health officers with the team of District Project Officers and the DHO. The team

also witnessed the first ever attempt at video conferencing between the Health and Family Welfare Department and all District Health Officials. Principal Secretary Health and Family Welfare had initiated this and the meeting was co-chaired by the Commissioner of Health and Family Welfare. The District team comprised of the CEO, DC (Deputy Commissioner), DHO, all DPO's and DPMO – NRHM for the first half of the discussion after which the CEO and DC were excused and the meeting continued with all the District officials and State officials. Another meeting the CBPS team got the opportunity to observe a Jamabandi in Shikaripura Taluk. Observations from all these meeting have been discussed in the sections below.

2.0 Programme Implementation and Service Delivery in Karnataka

In the 1980's the then Prime Minister Rajiv Gandhi made a statement that of every rupee that the government spends, only 15 paisa actually reaches the intended beneficiaries. Despite the growth in public expenditure, one can confidently say that the situation has not changed much in the last few decades. Administrative inefficiencies, poor targeting, high implementation costs, weak monitoring and leakages characterize the implementation of almost every development program and consequently only a small fraction of development funds end up reaching their final destination. Even though we now have quasi-government, private and the NGO sector playing a role in service delivery of essential services such as health and education, for millions of people the government still remains the only source of access to these services.

Recent trends show that the expenditure on social services (centre and combined states) as a percentage of GDP or as a percentage of total expenditure has increased in recent years. The expenditure on social services as a percentage of GDP and as a percentage of the total public expenditure has also gone up. But has it resulted in better services and improvement in quality of life for the people who access it?

Over the past decade, CBPS has been tracking public expenditure in Karnataka, Kerala and Maharashtra. Our research has shown that while financial allocations may have increased, they seldom get spent on time and according to the needs of the people. We have noticed a trend where people are increasingly looking to the private sector for even basic services such as education and health care not because the quality of service is better but because of reliability in service. A study on the State of India's Public Services (Paul S et al, 2004) that examines the users feedback on key public services like health, water, PDS, primary education and transport, reveals that people gave high scores for access to public services

but gave very low scores for reliability and satisfaction. They conclude that while access in itself does not bring satisfaction, people look for effective services with assurance of quality (Paul.S 2004: 931).

There is a growing consensus inside and outside the government that improvement in service delivery will need more than policy tinkering or stronger internal management (Development Policy Review, World Bank 2006). N.C.Saxena (India Rejuvenation Initiative 2010), former Chief Secretary of U.P has remarked that there is enough evidence to show that government's capacity to deliver has declined over the years due to rising indiscipline and a growing belief widely shared among the political and bureaucratic elite that state is an arena where public office is to be used for private ends. Weak governance, manifesting itself in poor service delivery, excessive regulation, and uncoordinated and wasteful public expenditure, is one of the key factors impinging on development and social indicators. This concern is also manifested in the number of commissions and committees set up to study administrative and expenditure reforms.

While the existing institutional arrangements were faulted for not delivering the goods, new arrangements were conceived. Independent societies, special purpose vehicles (SPV's), public sector enterprises etc were created to circumvent the administrative barriers in implementation. Though the government was still the funder, these societies and SPVs would be free to implement the projects without distractions. However, several of these new breed of institutions have failed to achieve their stated objectives and remained stagnant due to several reasons including the lack of vision and able leadership (Vyasulu 2003). The Seventh report of the Expenditure Reforms Commission (2001) set up by Yashwant Sinha reveals that no worthwhile study has been done of autonomous institutions, to check if they are fulfilling the purposes they were set up for. The report also observes an increasing number of autonomous institutions whose accounts were delayed for audit or not audited. Reduced accountability had come to be seen as an essential element of autonomy. Despite this report, the Union Government has been actively promoting the creation of independent societies to implement some of their flag ship schemes such as NRHM, SSA or NHM.

While all these new initiatives help to strengthen the existing infrastructure, the main channel of service delivery which constitutes a large share of public expenditure still remains within mainstream government departments' i.e the state departments. It is noteworthy that no department considers the local self governments created by the 73rd and 74th amendments as relevant to service delivery. Those who occupy these positions are considered "non-officials" and only "interfere" in the day-to-day work.

The current top-down service delivery mechanisms has been pictorially represented below where departments are policy makers and implementers. They plan, implement, supervise and monitor their own programmes, which has significantly reduced the effectiveness of several programmes.

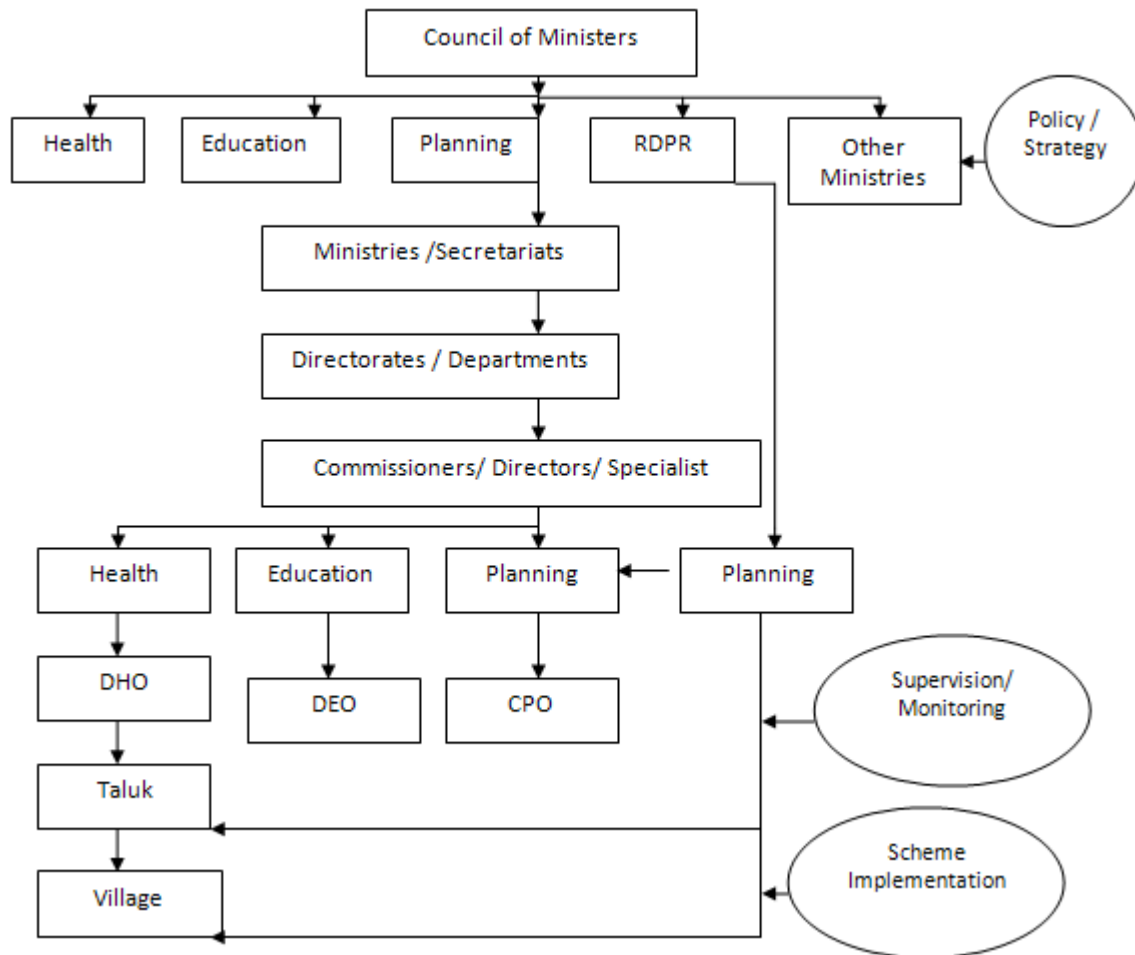


Figure 1: Present structure of programme implementation

Source: Vyasulu 2003: 158

3.0 Key findings

This section presents the key findings based on our analysis of data as well as the discussion with officials of the government. Before we present the main findings, we would like to make a few significant observations on the overall functioning of the government.

- **Discipline:** In the meetings we participated as observers, several officials arrived very late and none of the meetings started on time. On an average there was a delay of 30-45 minutes. In fact some officials joined the meeting well past a few hours. The general attitude appeared very lethargic. To give an example, the CEO in Shimoga disappointingly remarked at the lack of discipline and timeliness amongst officers when several of them walked in almost 45 minutes late for a video conference session between the Health department officials at the state and all district officials.
- **Motivation and re-energising of officials:** “You overcome the system or the system overcomes you” seemed to be the mantra. One of the newly joined contract staff from the NRHM team in Shimoga district who had spent a few years in the corporate sector before moving to the government said that his experience working for the government showed that creativity was not appreciated and everything should be maintained as status quo. “If any attempt is made to try new things, officers are chastised or pulled up for not taking prior permission from senior officials”, he said. Therefore newly joined staff and junior staff are hesitant to take initiative and grow within the system.

Leadership Matters: In Shimoga district, the deputy director of horticulture has introduced a system whereby the monthly meetings with the entire cadre of senior assistant directors and assistant director are held on a revolving basis in different taluks each month. This has ensured greater sharing of knowledge and ideas across the district. Officials also engage in joint problem solving and planning during these meetings. The deputy director also encourages his best performing staff by announcing their achievements in these monthly meetings which also acts as an incentive to other staff members.
- **Lack of accountability:** Official attitude towards request for information became obvious in our data collection process. Right to information Act seems to be the only tool that officials take seriously since there is a specified time period to respond within and the fear of punishment (of imposing a fine) if the request is not complied with. The RTI is the only semblance of an accountability mechanism where answerability and enforcement go hand in hand. Government officials consider themselves accountable only to their higher officials and politicians but not citizens. It came to be known that

confidential reports (CR) are not used for any kind of performance evaluation. Only the self assessment section by an employee is given importance. There is no link between performance, salary, promotion and/or termination of contract. The Civil Service Rules are common for all government employees. Therefore the Health department for instance, cannot give any monetary incentive to the doctors in remote places as all officers of that rank in all departments will have to be given the same incentive. This further affects the government employees' attitude towards accountability. The only form of accountability is the system of retribution; that higher officials may reprimand the officials below. However the power to take action on irregularities is again limited within the system. Union Law Minister Veerappa Moily has spoken several times of the need to amend Art 311 of the constitution that gives government officials such blanket protection.

3.1 Findings: Planning process

- a. **State-level planning:** The overall goal of the Karnataka Panchayat Raj Act 1993, is effective implementation of rural development schemes by progressively decentralising decision-making powers and planning functions so that PRI's have the freedom to determine their priorities and plan accordingly. From our discussions with the Chief Planning Officers of Zilla Panchayats (Mysore and Shimoga), we were given to understand that though there is much talk of bottom-up planning, in actual practice district planning exercises are plans imposed from the state. During the meeting on 21st December 2010 held at the ERC office, the planning department official present completely agreed with this observation made by CBPS and reiterated the fact that planning was pretty much top-down and there was absolutely no planning at the lower levels of government. CBPS film titled, "A question of Equity" brings out this practice very clearly.

While designing budgets, ZPs include salaries and O&M expenditures in the Non Plan budgets, and allocate a 10% increase for the Plan expenditures every year. This apparently is the expectation of the State government from the ZP's and is carried on as a routine matter. Even if districts budget

Adjustments: during all our interviews with officials, the initial responses revealed that there were no problems regarding shortage of funds, or delays in fund release, or flaws in the planning process, etc. While this was at first shocking to us, a little probing revealed that officials no longer consider these issues a problem because they have learnt to "work around these limitations". They adjust their work to suit the various kinks in the system to the extent possible.

for more than 10% increase in the plan expenditure, they only get the amount decided by the

State Planning and Finance departments. Once these budgets are sanctioned, the CPO's rework the activities to match the allocations made for the district before April in order to begin implementation in the next financial year. Officials described this process matter-of-factly and said that this practice has been going on for years which have made them "adjust to it" rather than see it as an anomaly.

However, they did admit to shortfalls in funds for which they request an increase in allocation from the Finance department. When additional funds are not made available, often certain works are put on hold.

Our interaction with officials from the agriculture and PWD departments reveal that the planning process is not sacrosanct and is often by-passed to introduce new schemes under political pressure by MLA's and "District Ministers" without sufficient time to complete a needs assessment. Officials feel that this leads to arbitrary decisions without sufficient attention being paid to cost-benefit analysis. It is interesting that this political pressure is applied at the local level and not at the state department where it can be included into policy. A counter to this point, which can be validated by CBPS's prior experience, shows that within the district, state department officials are the ones who draw up the plans without any consultation with the elected representatives or by conducting a proper needs assessment exercise. The CPO collates all the plans provided by various departments in the districts and these plans are then sent to the state planning department who make further modifications. But changes in the plans and allocations are not done on a consultative basis. Only the final decisions are conveyed to the district level officials with little room for negotiation. The vertical organisation of government departments also contribute to the top-down planning process since funds, functions and functionaries belong to the State while only implementation reports are sent bottom upwards. Represented diagrammatically is this process of planning of activities and funds flow as it exists today and confirmed by officials and elected representatives in recent meetings. The local self governance institutions have been created and fitted into the existing government structure but have no real teeth or powers.

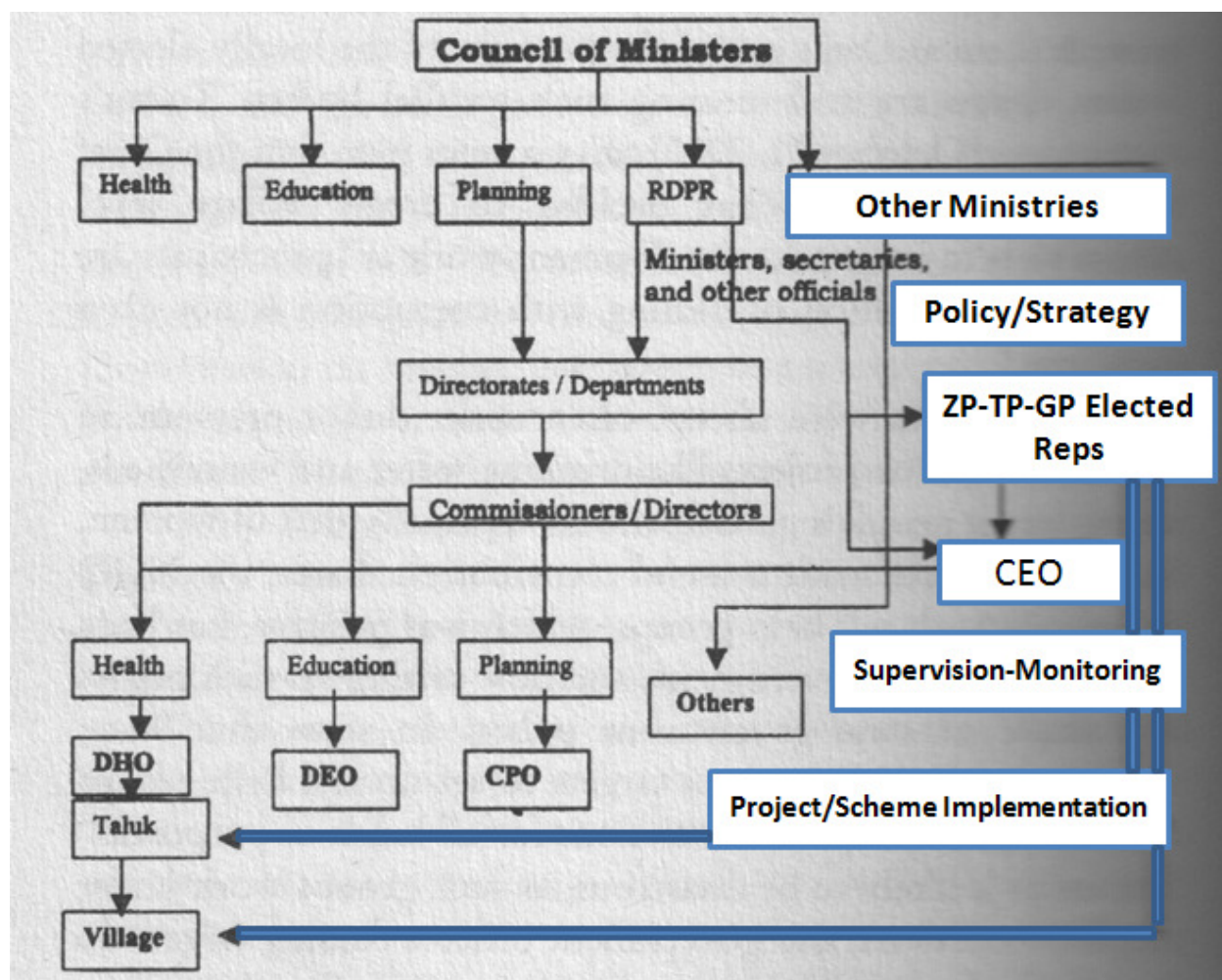


Figure 2: State government structure after 73rd Amendment

Source: Vyasulu 2003:164

District Planning Committees (DPC) which is supposed to be the planning body integrating the rural and urban plans have been completely side lined and the District Minister is more important. Planning has become a procedural formality rather than a meaningful exercise. The Mysore DPC in fact noted with concern that municipal plans were being placed before the State Directorate of Municipal Administration rather than the DPC.

Elected representatives at the districts have repeatedly mentioned that they play a limited role in the planning process i.e. that of ratifying the plans but not contributing to it. The elected representative in Shimoga clearly described the function of the DPC as a forum to seek signatures which are needed to forward plans to the State. He also pointed to the lack of discussion on these plans and admitted that there was also a lack of capacity in a few elected representatives to contribute effectively to the planning process. He felt that new elected

representatives are hesitant to ask questions but some seasoned politicians bring various suggestions in the form of people's needs into the ZP.

Another important tier of government that ought to play a major role is the Gram Panchayat and the Gram Sabha. We came to know that Gram Sabha meetings were rarely called for but their frequency seems to have improved marginally due to MNREGA which mandates the participation of the GS in deciding the works to be undertaken. Most of the Gram Sabhas are a formality.

Plans for the district are not prepared using a bottom-up approach where the GP's prepare the plans and after seeking the approval of the Gram Sabha they send these plans to the TP and the ZP. Rather plans are prepared at the ZP level by the various state department officers in the district. This highlights the clear functional and organisational disconnect between the ZP, TP and the GP on the one hand and the district officials on the other. It is not surprising that despite several crores being spent, progress indicators such as maternal deaths, literacy rates, access to safe drinking water etc has been very slow.

Inter-sector coordination was also a problem since provisions for the same are not made in the scheme/program guidelines and is left to the discretion of the implementing officers. It was also resisted with the departments as it went against old procedures which were being followed. For example, the planning process of schemes like NREGA, SSA, NRHM and JNNURUM, wherever undertaken, is often independent of annual planning at Panchayat or Municipal levels. On one occasion the Deputy Director of Horticulture in Shimoga said that more recently, some of the improvement and maintenance work of water tanks etc created under the NREGA are being done by the Horticulture department since these tanks provide irrigation facility to some of the farmers. However, this is an exception and in all probability will end with the tenure of the Deputy Director.

- b. **Departmental implementation:** The current structures, its staff composition and fund flow indicate how vertical government functions are. A detailed analysis of organisational charts available on the website of all the line departments selected for this study show a truncated structure, one that ends at the district level. Pictorially depicted below, the current structure shows the disconnect between the district offices and state departments.

TP and GP's are not shown as part of the department structure and are considered as independent units of self-government that "interfere". Staff at the ZP and TP level is appointed

by the state and strictly believe that it is their foremost duty to protect the interest of the department! They consider themselves a part of the State government and not an independent local self government. The elected president of the ZP and TP officers function merely like a post office in transferring funds received from the central and state government, collate the plans (prepared in the process mentioned above) and pass them on to the State. There is not much room to modify guidelines without having to refer to the senior officials in the state. This leads to delays on the implementation of the projects since decisions of the district have to travel to and from the directorate following protocol.

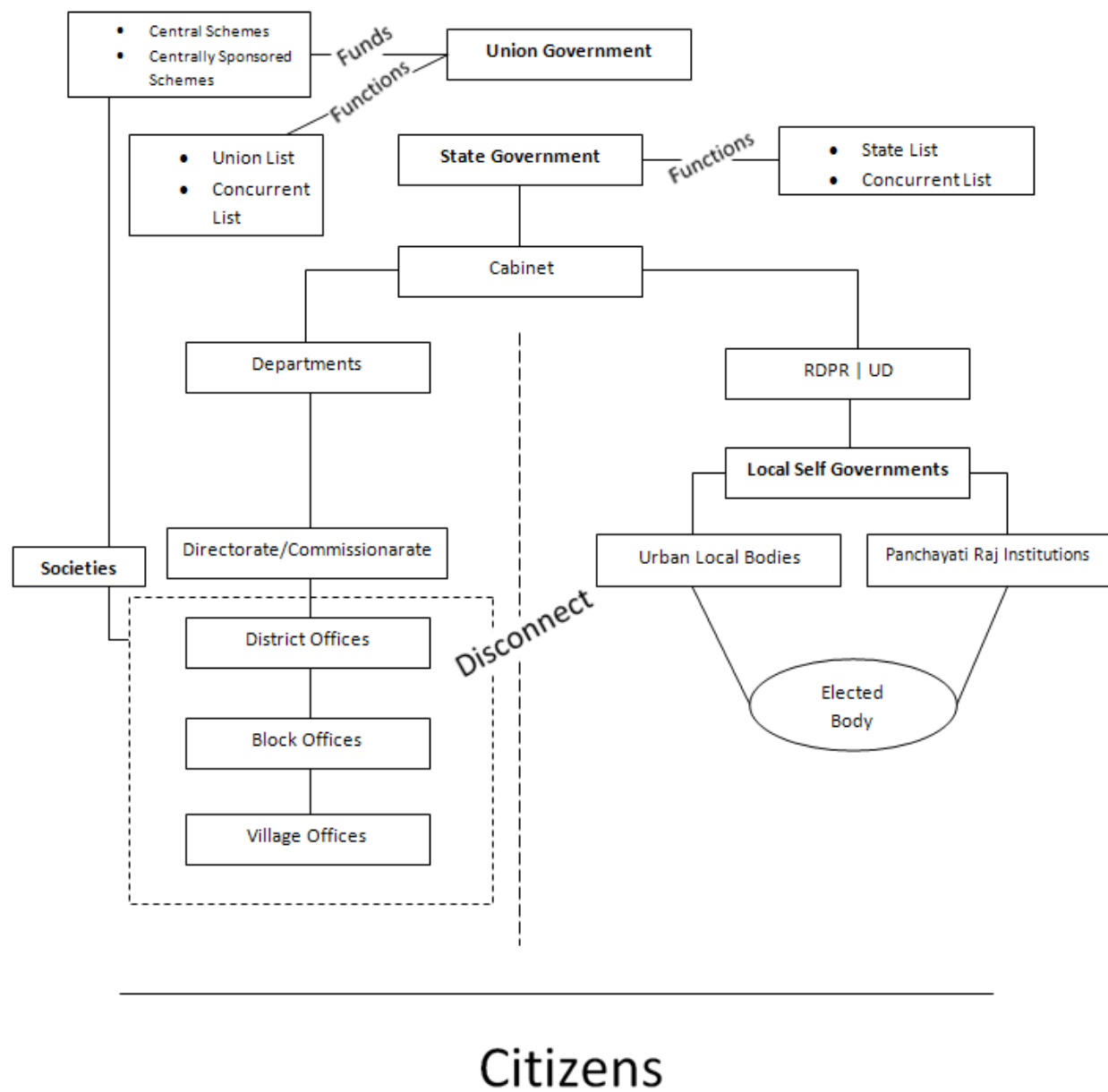


Figure 3: Present structural relationship within the government

CBPS researchers got a first hand experience of this situation while observing the review meeting between the Health Secretary and the district level staff. Several works on building, appointment of staff, purchase of equipment etc were kept pending in the district because they needed approval from the state department officials. The District Health Officers were either not utilising the powers vested in them or were worried about the consequences of their decisions and therefore simply abstained from making them. The principal secretary and the commissioner of health had to

repeatedly reinforce to the officials that they may use the untied funds or the NRHM funds to carry on with the work. It is an irony that officials wanted guidelines to utilise “untied” funds which were meant to be spent on immediate and unforeseen needs. Fear of retribution for any decision taken has pushed officials to the other extreme of refraining from any suo motto action. While there are several examples to quote from the Health department which shall be discussed in detail in the following sections, the education department also provides an example to further illustrate this point. The distribution of free textbooks to students in a centralised manner by the state government has created unnecessary delays in availability of textbooks to children. Perhaps if the task of printing is outsourced to the districts, while the state monitors the quality of printing and efficiency in distribution, this bottleneck could be overcome.

- c. **Vertical monitoring:** The above example of distribution of textbooks also highlights the problem of monitoring, where the implementation agency is also the monitoring agency. This simple structure does not augur well for efficient delivery because those officials who are responsible for implementing are also responsible for evaluating and monitoring.

Since all the officials at the ZP and TP level belong to the state government, it is not in their interest to send impartial reports of their own work.

During the monthly performance review of taluk health officers in Shimoga in March 2010, it became evident that there have been a few maternal deaths in the district. The DHO and the DPO's primary concern were how to tackle enquires from the Health and Family Welfare department at the State and not how could these death be averted and what changes need to be made to the current system of health care delivery. The meeting started and ended with a discussion of number of maternal deaths, infant deaths, number of vaccinations and amount of fund utilised. Each taluk received about 5-7 minutes to present this data which would later be sent to the department at the state level.

3.2 Findings: Financial Planning, Budgets and role of the treasury

Critical to the functioning of any organization is the fund flow design. While studying the institutional mechanisms of various government departments, it is important to understand sources of funds, process of releases, budget heads, expenditure patterns including utilisation of fund etc.

3.2.1 Budgeting and Planning Process

The Budgeting and planning process at the state level begins in the month of August/September when the Finance Department issues a circular to all the state departments including the Zilla Panchayat CEOs. Post this order, the Chief Executive Officer at the ZP further instructs the district level department to prepare and submit salary and non-salary estimates (or Non-Plan estimates) as well as the estimates for development program (or Plan estimates).

Following this the district level department heads (District Health Officer, Block Education Officer etc) prepare Salary and Non-salary estimates and the same is forwarded to the Chief Accounts Officer (CAO) of the ZP, while the development program estimates are forwarded to the Chief Planning Officer of the ZP. On receipt of these estimates, the CAO's office prepares the Appendix B while the CPO's office prepares the Appendix E which is a consolidation of all the estimates.

Appendix B(s) from various ZPs are forwarded to the concerned Administrative Department in the Secretariat. The Internal Financial Advisors of these departments forward the same to the Finance department. The Appendix E(s) are forwarded to the State Planning Department. During the months of November-December consultative meetings are held by the Planning Department along with the CPOs and CEOs of various ZPs. In these meetings the estimates are justified and changes are brought in if required. No local elected representatives are involved in this process.

Once this process is complete, the Finance and Planning department hold meetings together to finalize the budget for the forthcoming financial year. On the last working day in February, the budget is tabled in the Assembly. To ensure continuity of the functioning of government departments, a Vote on accounts is sought which allows for release of funds for most of the heads for duration of four months. Following this, the budget is passed in the month of July and the budgeting cycle repeats.

Table 1: Budget Process and Fund release schedule

Month	Fund Release Schedule	Budgeting/Planning Activity
Jan	Fourth Quarter release	Meetings between Finance Department & Planning department Budget tabled in the assembly. Vote on Accounts
Feb		
Mar		
Apr	First Quarter Release	Budget Passed for the current financial year
May		
Jun		
Jul	Second Quarter First Release	Expenditure Estimates prepared by ZPs
Aug	Second Quarter second release	
Sep	Third quarter release	
Oct		
Nov		
Dec		

Owing to the above mentioned process, the flow of funds is structured keeping this in perspective. The first release happens in the month of April for the period of a quarter. The second release happens in two instalments. The first one being for the month of July and the second one after the budget have been passed i.e. in the month of August for a period of 2 months (August & September). Soon after this, 2 quarterly releases follow – for the months of October, November and December; and, January, February and March. This cycle continues in a similar fashion.

The fund flow schedule explained above is for the district schemes from the Consolidated Fund of the state. These releases are made by the Finance department (ZP Section). In order to trace the fund flow from the state to the ZPs where the funds for service delivery are actually put to use, a format was prepared and sent as soft copy (CD format) to all the ZPs. Presented below are some of our findings on the flow of funds and treasury processes.

3.2.2 Fund releases and utilisation

- The Analysis reveals that the quarterly grants are released in April, July, October and December end/ early January (10th). The releases are 25% every quarter and this is to the ZPs. The data provided by Dharwad district over a period of 5 years (2003-04 to 2008-09) reflect a distinct pattern in the utilization of the funds. The years 2003-04 to 2005-06 is marked with expenditure

more than the amount allocated and/or received across all departments. The years 2007-08 and 2008-09 more clearly indicates the under utilization (See Annexure: 2 and 6).

- The extent of under utilization has increased from 29 heads under plan and non-plan (P&NP) during 2003-04 to 46 heads under P&NP in year 2008-09. The over utilization is reduced from 33 heads (P&NP) to 7 during the same period. The under utilization of over 50% increased from 9 heads (P&NP) during 2004-05 to 12 during 2008-09. The number of heads (P&NP) in the 100% underutilization category increased from 2 during 2003-04 to 7 during 2008-09. Between Plan and non-plan, the under utilization has increased consistently under the plan heads compared to non plan heads during the same period. The expenditure under non-allocated heads reduced from 22 (P&NP) during 2003-04 to 1 during 2008-09 (See Annexure 5).
- This reflects one point very clearly. Budget control at the ZP level is in place and no expenditure crosses the allocated limit. While this system ensures prudence at one level i.e. disciplining interdepartmental expenditure, it also stifles the local government by not ensuring necessary re-allocation powers which is essential for its function as a local self government in true spirit.

For example, the current budget control can cause situations where money is available for minor irrigation and not health though there is an urgent need for the health (despite the money sought is well within the available limit for the year). The Budget reallocation at ZP is now a very tedious process. The ZP has to take prior permission from the State Government for making the appropriation to the heads that need urgent spending from that of the one which does not need urgent money or from the heads that had surplus to the one which had deficit due to various reasons during the year.

- The under utilization of funds has increased more so in the plan heads while the over utilization is almost negligible. This means that salaries are paid but little else is done.

3.2.3 Budgets of local governments

At the Gram Panchayat

1. Most of the Gram Panchayat accounts are approved by the GP after the month of April and in some instances the final approval by Executive Officer has gone up to August. This shows the gross distortion in the budgetary process, which requires the final approval to be given by the

beginning of the financial year. Such delays set back the implementation of programmes and schemes which often result in a frenzy of development activity geared towards meeting targets during the month of March.

2. At the GP level, the only rural local self government that is allowed to raise its own revenue, budgets are prepared but they present a very sorry picture. Almost all of the budgeting rules are grossly violated. Some Grama Panchayats did not prepare budgets at all and some didn't maintain proper accounts at all. Wherever the budget documents are available, it is not filled-in properly. The meaning of actuals, estimates, and revised estimates does not seem to be understood properly. Many secretaries look at the previous year's budget document to fill in for the current year. In one of our earlier efforts towards obtaining the budgets for 5 years of all Gram Panchayats of Shimoga district, we could not find even a single budget document that was prepared properly for one year. The main reason for this is the lack of capacity and understanding amongst existing staff on budgets as an effective tool in planning. Insufficient training of human resource and inadequate human resource also pose serious problems in preparing budgets. Investing in capacity building is essential.

At the Zilla Panchayat and Taluk Panchayat

1. Although funds are released from the state on a quarterly basis to the ZP in equal instalments of 25%, accounts are maintained in a monthly or annual account format. This is mainly because, planning of activities and expenditure are based on MPIC (Monthly Programme Implementation Calendar). CAO's clarified that the revenue and expenditure do not match at any given time due to MPIC method of implementation and therefore activities are carried out with or without available funds. This results in delayed payment of bills, unfinished works, pending works etc.
2. Karnataka Panchayati Raj Act 1993 specifies that ZP's and TP's must prepare budgets annually. However, practice shows that the state departments at the ZP level prepare a separate salary estimate which is submitted to the State Finance Department and a separate plan estimate which is sent to the Planning department after seeking the approval of the CEO (ZP).

Budget estimates for plan and non plan are consolidated at the district level for both state and District sector. The process of arriving at the estimates is done by officials and department wise. The Zilla panchayat consolidates from taluk panchayats the estimates for the plan component of district sector. These estimates are sent to planning department. Planning department calls a meeting of CEO, CPO and the District Heads of Department for discussion before finalizing the link document.

These estimates are not looked into once they are prepared. It is very difficult to get it at the ZP level and the planning department attaches no importance to it. At taluk level it is not even retained. This was observed during our field visits to Sagar, Tirthahalli, Soraba, Shimoga and Shikaripur. It is only the link document they keep referring to since it is the basis for the fund release in the ensuing year. Thus if one wants to comment on the way estimates were done vis-à-vis the plan grants received through link document it becomes impossible. This practice makes the entire planning process, expenditure tracking and accountability very difficult at the local level. The officers feel that budget estimates are not an important document as the link document indicates how much money is available under each detailed head. However, a detailed budget analysis is impossible without the estimates, audited accounts and the allocation as per the link document.

3. The conformity legislation to the 73rd amendment has been passed in the state of Karnataka and all 29 functions specified in the 11th schedule have been devolved but this has not been supported either by funds or functionaries. As a result each department maintains its own accounts and functions as implementer in the districts. They are accountable only to the state government and completely by-pass the planning process and the ZP elected representatives. ZP officials merely consolidate the various estimates generated by the departments and forward them to the State Planning department. The elected body at best gives token approval.

3.2.4 Other General Observations

- Discrepancy in the balances is observed in all Gram Panchayats in all the 260 GPs in Shimoga. Data previously collected by CBPS was used for this study since Shimoga district officials did not give the necessary data for this study. Budget documents are not prepared in the prescribed manner. It is not possible to track the finances from budget. Budget as a process and as an important document is absent Gram panchayats. The Taluk and Zilla Panchayat do not produce budget which is an important exercise of the local government. Though the act specifies the preparation of the budget, this is yet to happen. The annual accounts of the taluk and Zilla panchayat are not free of discrepancies. These discrepancies are pointed out by the Accountant General also. The non reconciliation of accounts maintained in the bank, incorrectness in maintenance of the fund wise accounts and improper book management are important reasons as pointed out by the AG.
- Budget document which could have otherwise said many things about local self government fails even to comply with basic rules. The budget process is not taken up seriously and perhaps this explains the reason as to why nobody owns the decisions, tries to collect the proposed taxes, and expenditure gets duplicated, often unaccounted and poorly directed.
- The purpose of budget control is to ensure all departments spend only what is rightfully theirs. Budget control exists for ZP Funds – i.e. the district sector schemes. Both Salary and Non-Salary components are under budget control - which essentially means that no bill can be passed if no prior allocations have been made for that particular head of account. This is however not the case for state plan and non-plan schemes – which do not have budget control. And there is no Budget Control at the Taluk Panchayat level as well.

3.2.5 Audits and Accountability mechanisms – Jamabandi

- Those audits conducted by the Comptroller and Auditor General (CAG) do not include independent societies and corporations that have been set up by the government. This is a glaring lacuna since these corporations spend government money, have large budgets that are allocated for welfare programmes as well. Therefore these societies should be brought under CAG audit. The CAG in Delhi has recently proposed a new audit law that includes these provisions—along with one that data be provided within a specified time limit as in the RTI [interview with CAG Vinod Rai on television channel-CNBC-TV18]

Audits: Although audits are being conducted, there are huge time lag of at least 2 years which reduces accountability from the officials and elected representative who were in-charge of implementation at that time. Audited accounts for 2007-08 are what will be available now.
- Audited accounts at every level must be presented along with an action taken report before the assembly or council where it may be debated and discussed. While this is done at the State level, ZP, TP and GP accounts are not presented before the elected body. Delays in the audit present another big problem which leads to new complication with respect to audit objection recoveries.

The Government of India is likely to introduce a new CAG bill which the Comptroller and Auditor General (CAG) to audit accounts of the Panchayati Raj institutions, non-government organisations and public-private-partnership entities. This bill also aims to fix a time frame like in the RTI Act, within which all the government accounts will be made available to the CAG for audit.
- Jamabandi at Taluk level meant for discussing the accounts was just a reading of the accounts according to the different heads and a mention of the balances, if any. There was no discussion on the physical assets created, improved, or maintained by the Taluk Panchayat. It was reduced to an exercise of reading out numbers to an audience comprising of officials and elected representatives.

3.2.6 Observations on treasury processes

The problems in the fund flow process have to be understood in conjunction with the processes within the treasury. Several difficulties are due to outdated institutional mechanisms and process inefficiencies – some by design and some due to bad management.

- **Government Order received by the PRI indicating fund release, but no allocation in the treasury**

This was one of the common complaints of all ZPs visited during the study. ZPs on receipt of a GO start preparing the first level of expenditure – once the bills are submitted they get to know that the funds are not available. Sometimes the funds are made available after 10-15 days of the receipt of the GO. This would mean that the ZPs have to check with the treasury daily for any transfer to their account. The reasons given for this discrepancy have two versions –

- a) Miscommunications between various agencies of the State: For additional grants, one of the 9 expenditure sections of the finance department passes the GO indicating the allocation of funds. However, the budget releasing power is only with the Chief Controlling Officer in the ZP-Section of the finance department and without its say, the money allocated at the TNMC cannot be released for utilization. So, many a times the GO from the expenditure section is sent notifying the TNMC, but however the ZP-Section is never notified for putting up the release.
- b) The officials responsible for sending the allocation details to the TNMC delay the process for no apparent reason.

- **Allocation received, but no Government Order received**

For some fund releases – the utilizing authority would have received an allocation of fund but no GO giving them a green signal to go ahead with the utilization. This was however stated as the lack of pro-activeness on part of the ZP officials as all GOs are uploaded on to nic.net and department websites – from which a copy can be easily downloaded – instead the ZPs wait for the hard copy of the GO, thus delaying the fund utilization.

- **Incorrect Government Orders**

The allocation figures in the government orders sometimes do not match the actual allocations in the treasury. Due to this there are delays when bills are prepared according to the figures in the GO. The problem is exacerbated due to the fact that there are no proper escalation/complaint mechanisms at the district/sub-treasuries.

- **No Budget Control at the Taluk Panchayat**

ZPs have clear budget controls – there are ceilings fixed for every scheme for every quarter. There can be no instance where a Drawing and Disbursing Officer (DDO) draws more than what he is entitled to. On the other hand in the Taluk Panchayat, releases are made in a lump sum from the ZP. The funds are not bifurcated into schemes. Hence, there is always a problem of sharing – where one department can over draw money for a particular quarter leaving another department short of funds for that quarter. The reason for not having budget control as stated by some of the officials is that it is a cumbersome task as it needs to be done for 176 taluk panchayats².

- **Design of the software system**

- a) Since the computers in the ZP are not connected to the central server, it becomes a cumbersome task for the officials at the ZP to perform their day to day operations – for every little bit of information they have to physically go to the treasury – be it checking for new releases, ZP fund status, checking for status of uploads etc.
- b) Use of out dated technology such as Floppy drives is leading to frequent loss of data due to virus and corruption.

- **Complaints Handling at the treasury**

In the district/sub treasury whenever there is a discrepancy in the bill, objections are raised, but strangely it is never notified to the concerned person who submitted it. Each time a bill is submitted, the concerned person has to constantly check with the treasury about the status of the bill.

3.3 Findings: Organisational Issues

3.3.1 Vision and Implementation Strategy

A perusal of annual reports, performance budgets and web pages reveal several departments do not have vision statements at all. What they have are objectives such as “reduce the MMR by 30%” or “Zero maternal mortality by 2015” and so on. Vision statements must spell out the big picture of the organisation, for eg: Akshara Foundation (www.aksharafoundation.org) in Bangalore shares the vision of Universal Elementary Education and “every child in school and learning well” as the mission statement

² Internal Financial Advisor (RD&PR); during our field visit we found that the Bidar district ZP attempted the preparation of link document. However it was not encouraged. The existence of this issue has also been ratified by both the Directorate of Treasuries and the Finance Department in their comments to the first draft of this report.

that represents the necessary work to be done towards achieving the vision. Though several of our state departments have a welfare motive and working within the framework of a welfare state, there is no clear vision for each department. This is one of the primary problems that plague the government system today...there is no shared vision for the organisation that policies, programmes, activities and the staff are geared to work towards.

During our interviews with the health department staff, no one could articulate a vision for the department. It appears that currently the vision for the state department is that of achieving the Millennium Development Goals (MDGs) set by the UN. Previously it was the WHO's vision of "Health for All by 2000". Often times, quantitative program objectives are misunderstood as vision statements.

Similarly, officials were often referring to central government missions such as NRHM, SSA and NHM to be the only projects with an implementation strategy. This mission now encompasses most of the health related services in the state as well. Officials whom we had interacted with consistently said that the situation of service delivery has improved since the introduction of these central government assisted mission mode projects primarily because of the financial allocation towards improvement of infrastructure and staffing needs. They also revealed that with the introduction of these projects, the state government schemes and programmes have reduced and so has the State's share of expenditure. It was difficult to compare a state scheme and a central scheme since there is no equivalent state sponsored project such as the NRHM that offers a holistic bouquet of services to the people as some of these flagship central schemes do. Often cited reasons for better efficiency of central mission mode projects by officials in several districts was the availability of clear guidelines, availability of financial resources that can be spent at the discretion and flexibility of local officials as per the need of the geographical area. Speedy dispersal and timely arrival of funds is also an important attribute of these central schemes. This is a worrisome trend since large centrally sponsored programmes have the potential of disturbing the federal structure of the government where the Union government takes over the role of a policymaker for the state when it is the responsibility of the state to decide what its needs are.

Without clear directive or an implementation strategy involving every level of the government, targets are arbitrary. Currently performance measurement i.e. monthly reviews, etc are based on targets rather than outcomes which do not provide information on the qualitative improvements to beneficiaries accruing from public expenditure.

3.3.2 Focus on Outcomes and not Outputs

In the present scenario, government service delivery is strictly based on outputs. As mentioned in an earlier section, during the monthly review meeting of taluk health officers, the entire discussion was focussed on numbers. Main points discussed at the meeting were the number of maternal deaths, infant deaths, maintenance of maternal mortality registers and infant mortality registers, number of immunisations completed in comparison to the target set for the year and the total amount of unspent balances. Each taluk health officer or the Local Health Volunteer (LHV) was asked to present the data and give explanations for the deaths. The entire process took on an average about 5-7 minutes per taluk. LHV's were reprimanded for not knowing the correct reasons for death, improper records or not tracking a woman through the term of pregnancy. However, the DPOs and DHO did not engage with the LHV or the THO on any of the difficulties they were facing in meeting their targets, shortfall in infrastructure, shortages in medicine or any other implementation difficulty. They were told to improve their records, chastised for any mistakes and moved on to the next taluk. There was no attempt made at identifying problems or engaging in a discussion on problem solving or possible improvements that can be made to the quality of health care currently being provided. Similar scenario was replayed in the teleconference meeting between the State health department and the district officers, except that, in this meeting, the Principal Secretary provided for an open-house where district officials could discuss any work-related issue that needed attention. This emphasis on numbers or outputs rather than outcomes and processes is only a piece-meal approach to addressing the health concerns of our citizens. Practice of multi-year expenditure planning followed in countries like UK, Brazil, and France is worth looking at.

3.3.3 Activity based implementation Vs Schemes

Our study reveals that several schemes in various departments have lasted well beyond their expiry date. There is a multiplicity of the same scheme within and across departments and lack of inter sectoral linkages have all grossly undermined the effectiveness of these schemes. Some departments have already started the exercise of closing down schemes that do not have any budget allocation but several other departments badly need efforts at amalgamation and rationalisation. Multiplicity of schemes also give rise to duplication of beneficiary lists since the government is yet to evolve a fool-proof method of preparing and maintaining a data base of potential beneficiaries. Another concern is the lack of inter-departmental co-ordination in designing and implementing schemes. For eg: scholarships are distributed by the social welfare department as well as the education department. Though both schemes are aimed at increasing the enrolment of children in school and improving the educational attainment of students,

they belong to different departments. The amounts distributed to students are also miniscule, often far less than the cost of administering the scholarship. CBPS has not focussed in detail on this aspect of convergence of schemes since other consultants are examining it. However, there are a few suggestions specifically for the health department that emerged from our discussion with the Joint Director. With the merger of schemes the total number of schemes in the Department of Health can be brought down from 46 to 32.

Head of Accounts	Scheme details
2210-01-110-2-40	Telemedicine has been formed into a separate trust and interest accumulated is sufficient for implementation of the programme and hence no budget is required for the coming years.
2210-01-110-2-31	Peripheral Cancer Centres & Trauma Care Centres: District cancer control societies have been formed in Mandya and Gulbarga. In Mandya, the Mandya Cancer Control Society has been merged with Medical College, Mandya and KIDWAI has withdrawn staff from Gulbarga Cancer Control Society. This scheme therefore can be stopped.
2210-06-101-7-06	National Guinea Worm Eradication Programme: There are zero cases of Guinea worm cases. So this scheme can be dropped.
2210-06-101-7-15	Karnataka State AIDS Prevention Society: As sufficient funds are being received from NACO, this scheme can be dropped.
2210-06-101-8-01	National Programme for control of Blindness (100% CSS): Government of India has informed in 2009 that grants released under this schemes are to be discontinued during 09-10 and hence the post of Eye Surgeon and PMOA's are to be integrated

	with the State plan. Hence this has to be merged with Control of Blindness 2210-06-101-8-03
2210-03-796-0-03	Tribal Area Sub Plan: under this scheme salaries of 5 staff is being paid. This scheme can be merged with the Head of Account 2210-06-001-0-01 Non Plan, Directorate of Health and Family Welfare.
	2210-03-800-0-06 (Non-Plan):Incentives to SC/STs for ANMs training programme and School Health Services to be merged with Scheme Bureau of Health Education 2210-06-112-0-01 Non Plan.
	National Leprosy Control Scheme 2210-06-101-4-05 Non Plan and Voluntary Health Organisation for Leprosy Control 2210-06-101-4-06 Non Plan can be merged with mental health, NMEp, Cholera, FCP and KFD Non plan since the salary of leprosy staff is also being paid out of the Head of Account 2210-06-101-1-06
	National TB Control programme 2210-01-110-3-06 Non Plan can be merged with Psychiatric clinics, hospital for epidemic diseases and TB sanatoria, Major and District Hospitals and blood banks, 2210-01-110-1-22 Non Plan.

Schemes are also not an effective method of delivering services as it is neither holistic nor time-bound in addressing social problems. The current process of conceptualising schemes is severely flawed and some departments had started independent societies to execute the work of departments since societies offer more flexibility in operation. Some of the central government mission-mode programmes such as the NRHM, NHM, SSA, etc, which attempt to integrate several schemes under one mission have been set up as independent societies. But it can be seen that even these societies and corporations can turn into loss making entities, incurring further debts to the government. Instead, activity based implementation of programmes that are focussed on attaining the vision of the government by building inter-governmental relations in our federal system would be far more effective.

3.3.4 Staffing & Rationalisation of Human Resource

Every department seems to be plagued by the lack of human resource to implement the programmes or so is the claim. Available data for the department of health indicates vacancies in 1427 Group-A, 231 in Group – B, 12, 2206 in Group-C and 4047 in Group-D. In their response, the JD-Planning has highlighted the acute shortage of staff to deliver healthcare in the State. With the upgradation of Taluk hospitals to 100 bed hospitals, large scale construction under KHSDRP, NRHM and state funds, creation of new schemes such as dialysis units, burns ward, geriatric ward, telemedicine schemes etc and large scale retirement this year, the department is facing a human resource crisis. This was evident from the tele-conference meeting between the health department staff in the district and the state where several First Referral Units (FRUs) did not have doctors, lab technicians etc.

Given this crisis, it is nothing short of a miracle that officials claim all the targets are being met! An urgent review of functions of each department, the number of staff needed to fulfil these functions, existing staff strength etc must be undertaken in order to right-size departments. It is important that functions determine form. It is recommended that the services of a management consultant be engaged to undertake an in-depth study of this issue.

The Karnataka Administrative Reforms Commission Report, (2001: 403) has also recommended privatisation and outsourcing of certain functions to overcome the shortage of staff.

3.3.5 Absenteeism

One of the most severe problems that plague governments in India is staff absenteeism. On the one hand department officials complain of lack of staff and on the other the attendance records tell another story. It is a known fact that more than 70% of non-plan expenditure, which is usually greater than planned expenditure, comprises staff salaries. The government is one of the largest employer and several people continue to struggle to get into government jobs. Commonly known reasons for this is the security of tenure, immunity against almost any level of performance, periodic salary raise and the sheer lack of accountability.

In a study on absenteeism of healthcare staff, conducted by the Indo Dutch Project Management Society (IDPMS) in three districts of Karnataka, absenteeism amongst doctors in India is 43%. In the state of Karnataka, while there has been good progress in the creation of infrastructure in healthcare, due to absenteeism of doctors and support staff, the benefits of the expenditure incurred on them do not

reach the intended beneficiaries, pushing the poor and underserved population to prevail upon private services.

Unannounced surprise visits (twice to each PHC) were made to 30 PHC in the three districts of Bidar, Chitradurga and Shimoga by the research team. In addition, interviews and focus group discussion have been held with various committee members. In the specific districts studied, Shimoga is at 44%, Chitradurga at 46% and Bidar at 63% absenteeism. It has been found that while there is a shortage of staff, several staff wilfully absent themselves from duty for private work such as running their pharmacy or testing laboratory or private practice. Doctors, paramedics, technicians and nurses all rank the same on the level of absenteeism and Monday seems to be the preferred day of leave. The estimated loss to the government due to absenteeism in term of salaries paid to absent staff is around 14 million rupees. What is surprising is that there has been no discussion on the issue of absenteeism in the Arogya Raksha Samiti meetings which is supposed to monitor the performance of hospitals.

IDMPS points out the poor monitoring of staff as one of the main causes for such high rates of absenteeism and makes a case for this issue to be given high priority in policy-level discussion (Sadanand et al, 2010).

3.3.6 Need for Management Principles and clear HR processes

Although the government is one of the largest employers, there seems to be scant regard to modernise their method of operation to follow some basic management principles. Job charts and job descriptions for staff do not seem to be common practice across all government departments. While the department of agriculture and the department of Horticulture (Shimoga office) produced job description, they were fairly outdated and had not been revised since 1990. Officials also accepted that though job descriptions may be given in some departments, staff do not follow this strictly for three reasons (a) officials usually do far more duties than what is given in their job descriptions such as election duty (b) officials hold additional charge due to shortage of staff and this is not part of their job description (c) since the monitoring and evaluation of staff are not restricted to their job description, staff do not bother to abide by it. Therefore, when there are no job descriptions, it is difficult to believe that filling in the vacant posts will solve the problem of poor service delivery. This aspect needs to be studied in a professional manner leading to the introduction of measurable targets against which monitoring and evaluation of all

government employees are conducted periodically. Linking incentives and bonuses to performance may also be recommended to boost the efficiency of human resource within the government machinery.

Number of people supervised by one official and the line of command for staff must be based on sound management principles. Currently the reporting structure is very complex and flouts basic management principles where a district official reports to his/her senior in the department within the district, the ZP CEO/CPO/CAO as well as to the parent department in the state. Multiple reporting patterns, being followed at present, has reduced the actual time spent on the field by the staff, with more time spent in preparing reports. Officials said they spend as much as 13-15 working days on attending meetings and preparing reports (in multiple copies and different formats).

The ERC may want to look into the Performance Monitoring and Evaluation System (PMES), an ambitious mission undertaken by the Government of India in March 2010 to introduce a Results-Framework Document to be prepared by every department and ministry to implement the administrative agenda on time and show results. (Gfiles Vol 3, Issue 12, March 2010).

3.3.7 Training and up gradation of staff capacity

With technological innovations and a competitive private sector, several departments are faced with the inability to keep up-to-date with the ever growing needs of the people. This has serious consequences for beneficiary groups who rely on government officials to provide them with current and updated information. A case in point is Departments of Agriculture that is faced with new technological developments in the area of seeds, certification, export licensing, water management etc. Similarly, health workers need skill up gradation, teachers need training on new method of teaching, there exist a growing discipline of innovations in social research in areas of needs assessment and participatory methods etc. Due to the limited staff availability and inadequate training programs, government staff tends to lose out on the benefits of any of these new developments. While officials do agree that they get sent for various training programmes, there are complaints on relevance and quality of the training, follow-up on what was learnt, need for implementation support etc. They also feel there is a lot to be gained in terms of management from the private sector for which collaborations could be forged.

3.3.8 Service delivery guidelines and citizens charters

With the increasing role of private players in almost every sector, the government is faced with the challenge of reinventing itself so as to retain its relevance in areas of service delivery. Though the cost of accessing a service offered by the private sector may be expensive for the poorer section, empirical evidence shows the growing popularity of private hospital, private schools etc because there is assured service. By their own admission during ERC meetings, education department officials admitted that despite poorer infrastructure; parents prefer private schools because they teach English to children. Private hospitals are preferred because there is guaranteed access to a doctor though it comes at a higher cost. However, not all sections of the population can afford private schools or private hospitals. For them the government is the only way out and this dependence should not mean that they get poor service. Therefore, the government must reinvent itself as a provider of reliable service by committing to a service level agreement or guidelines. These guidelines define the quality parameters of service delivery and the redresal mechanisms for poor service. A similar exercise in the form of citizen's charters must be done for the administrative functions of the government. In cases where both exist, a review of the guidelines must be undertaken. Where no such guidelines exist, development of appropriate guidelines and service level norms must be operationalized. For example, with the introduction of health insurance schemes for the poor, a coherent strategy which includes the setting up of patient redresal cell that can deal with patient claims and frauds etc are yet to be evolved. A role for local self governments in this process is essential; the 73rd and 74th amendments were passed to bring in democratically elected local governments for implementation. They have to grow into this role. Obstacles to this must be understood and cleared. This will be a necessary, but not sufficient, condition for effective service delivery to become a reality.

3.3.9 Use of Information Technology

The use of Information technology (IT) applications within the government is abysmal. It only gets worse as we go to the lower levels of the government in district and taluks. Often computers are mere typewriters. IT has an important role to play in improving the operational efficiencies that have been discussed above. Currently, most of the departments interviewed at the state level are using IT based applications, with significant variations in terms of scope and depth.

One very positive development is the use of video conferencing facility by the Health secretary to hold a review meeting with all his district representatives at the same time. A range of issues were discussed during this meeting. Almost like a face to face interaction, this video conferencing exercise

saved the cost and time in a team of district office travelling to Bangalore. Several officials appreciated this effort since they could attend to some of their office work that needed their signatures etc while attending the meeting. In addition, all the participants could learn from each other's achievements and problems. While a few officials felt that there was no seriousness in this form of meeting, a majority of them appreciated this effort. This facility may also be used to sort out long pending problems which require the attention of the Secretary.

Given that many of the departments are responsible for huge operations in terms of the number of beneficiaries (and stakeholders), volume of transactions and the level of funding involved, it is recommended that IT applications be used as a strategic tool. Such applications have

Another interesting development is the use of Skype- software that enables free video and voice calls over the internet by the offices of the local self governments in Shimoga district. The CEO proudly mentioned that the software is now being used to discuss problems and even address citizen's issues in villages.

the potential to impact operational efficiencies, transparency, accountability and project success rates. It may be observed that the availability of computing and communication infrastructure is improving rapidly, and is already available at district and taluk headquarters. This provides an excellent opportunity to deploy identified applications across all tiers of Government, and across the geographic spread of the state. It is also recommended that the use of intranets and extranets should be examined from the perspective of different departments, in order to evaluate their potential benefits. Since many departments deal with the delivery of services and benefits to large numbers of people, these technologies can help in engaging directly with beneficiaries, in order to deliver a variety of information and services. There is also the potential to deploy call centres, Interactive Voice Response solutions and other solutions in order to improve the service and support delivery mechanisms. All this will require that staff be trained in using the technologies, uninterrupted power supply and internet access is available.

4.0 Recommendations – Issues for Action

One of the main reasons for the failure of developmental schemes and programmes is the vertical approach to planning and implementation of programmes. Therefore, the focus of our work has been from the point of view of decentralisation. Over the last decade, we have studied closely the functioning of the government and have come to the conclusion that decentralisation and taking planning close to the people is the only way to approach development.

4.1 Decentralise and devolve planning implementation and monitoring

There is a strong requirement of all-round orientation of all stakeholders in the planning process in the state, to make it meaningful and realistic. In order to improve service delivery efficiency in both urban and rural areas, there is an urgent need to decentralise planning and implementation functions to the local governments. Even after the passing of the 73rd and 74th Constitutional Amendments, the transfer of funds, functions and functionaries has been nominal in most States with notable exceptions such as Kerala (Moily. V, Second Administrative Reforms Commission, Fifteenth Report 6-1 pg iii).

Recent move to take over local self governments by the state government in Karnataka was a move that is against the spirit of the Constitution of India and undermines democracy. Instead of convening Panchayat elections 6 months before the end of the 5 year term, the state election commission was accused of siding with the government and abdicating its duty. This matter is under litigation.

Department activities and structures must be re-organised to make way for bottom-up planning and implementation in a federal set up. We propose the demarcation of functions into two groups (i) Policy-making, resource mobilisation, and monitoring and (ii) implementation. The first set of functions is to be done at the State level while the implementation function is done at the level of local self governments in the district and below. Given below is a diagrammatic representation of the same.

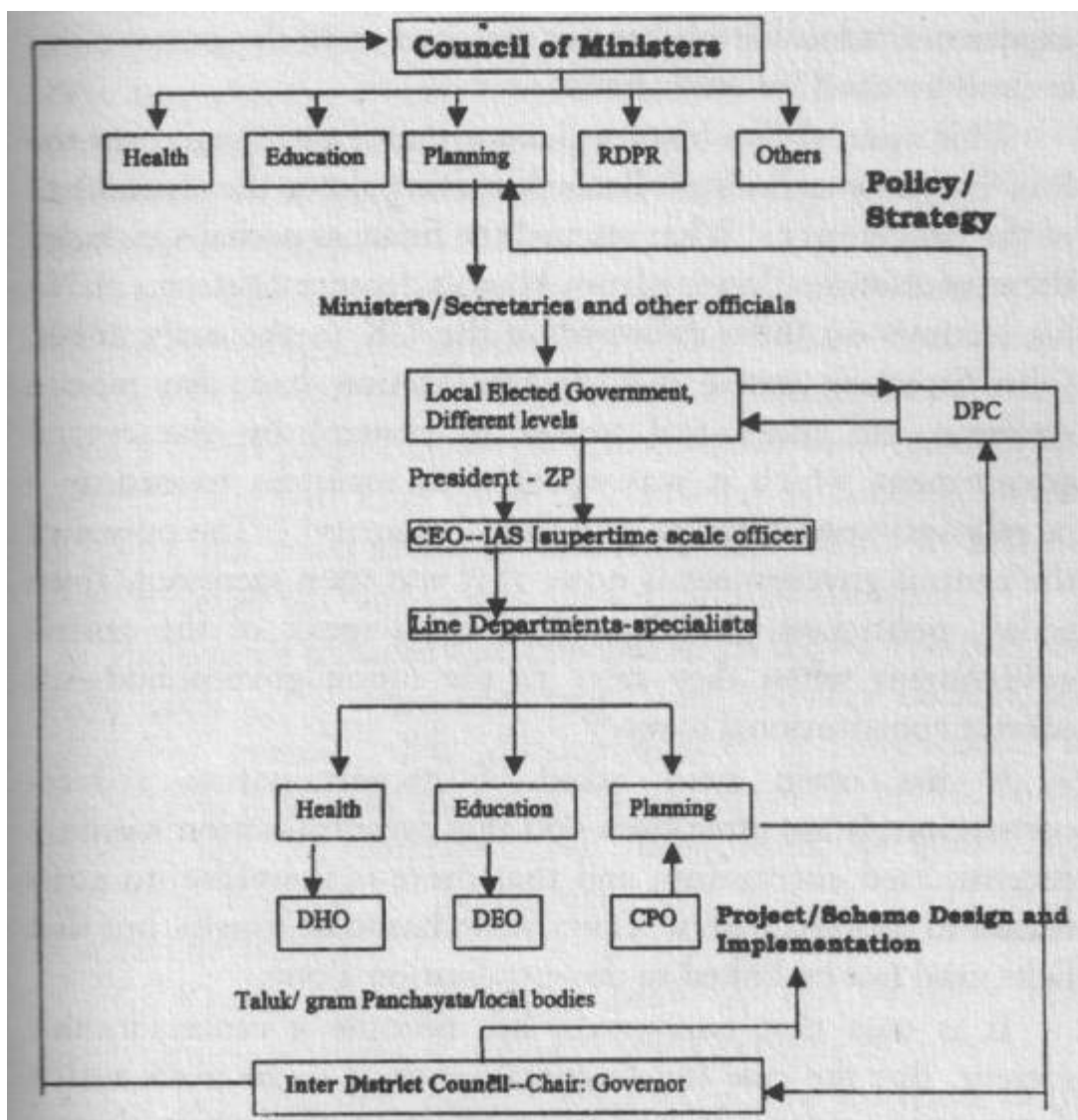


Figure 4: Proposed Government Structure

Source: Vyasulu 2003: 169

We suggest for consideration an Inter District Council—like the Inter State Council which is a constitutional body—with the Chairman being the Governor, and the Chief Minister and all ZP Presidents as members. Concerned ministers should be invited to meetings as required. This would deal with issues that spill across districts.

The Karnataka Administrative Reforms Commission 2001 had recommended the immediate formation of the District Planning Committees. However, the formation of the DPC in several districts of Karnataka has not had an impact on the planning process. The institution of District Ministers should be abolished.

- a. The DPCs need to be given adequate support in order to enable them to perform their tasks effectively. Converting DPCs into permanent institutions with offices and secretariat will perhaps address this issue. In Kerala, the District Statistical Office is the secretariat for the DPC. In Karnataka, we suggest the CFO provide this support.
- b. Capacity building needs that emerge are pressing – the need for members (elected representatives and officials) to understand the true role of the DPC and what it seeks to achieve; the need for members as well as experts to understand the nuances of integrated planning for social and economic development.
- c. District Plans or the 20 years Vision document must be prepared by all the districts immediately involving not only the government officials and elected representatives but also citizens groups, students, civil society groups etc.
- d. Planning efforts must take account of inter-dependencies across sectors and departments. Horizontal co-ordination between departments must be improved for better delivery of schemes. As specified in the Karnataka Panchayat Raj Act 1993, the elected ZPs are the convergence body who are in the best position to implement this recommendation as they have a good overview of all the departments in the district.
- e. The Rural and Urban Local Bodies also need to be oriented to adopt an integrated approach to planning. While preparing annual plans these bodies have to keep in mind the medium and long term vision and goals for the district. The District Planning Committees must be strengthened and all plans must be prepared in a democratic manner with full involvement of the elected representatives and officials.
- f. Devolution of funds functions and functionaries must be done immediately. All the functions devolved must be brought under the elected Zilla panchayats, the assets transferred, functionaries transferred to the ZP.

Activity Mapping: is a tool that basically describes the activity to be done and the distribution of functions across the three tiers of government and further breaks down the activities at every level of government into powers required, staff and organisational support and funding needs. When completed, this activity map clearly describes the requirements to complete every single activity of a department. Karnataka pioneered this activity mapping, other states have copied it, but Karnataka itself does not use it! Refer to Annexure 6 for an example of activity mapping for the departments of health and horticulture.

- g. The term of ZP adhyakshas must be brought on par with other elected representatives of the state.
- h. Grama Sabha meetings must be convened at regular intervals to vote on the plans prepared by the Gram Panchayats which are the consolidated at the TP and ZP level.

4.2. Financial Planning, Budgets and the Role of the Treasury

In the words of Dr. Alagh, “the current problem of releasing the fiscal constraint at the spending levels is not largely a resource problem, but a restructuring and devolution problem (Alagh Y.K 2009, Indian Journal of Public Audit and Accountability Volume III, No 4)”.

- a. Implement the true spirit of the 73rd amendment by devolving funds, functions and functionaries to the local self governments. The departments should concentrate on their policy and monitoring functions. Reports could be generated at the local governments and debated. Given below we provide the overall flowchart of a re-organised fiscal process that includes the flow of funds and the planning processes.

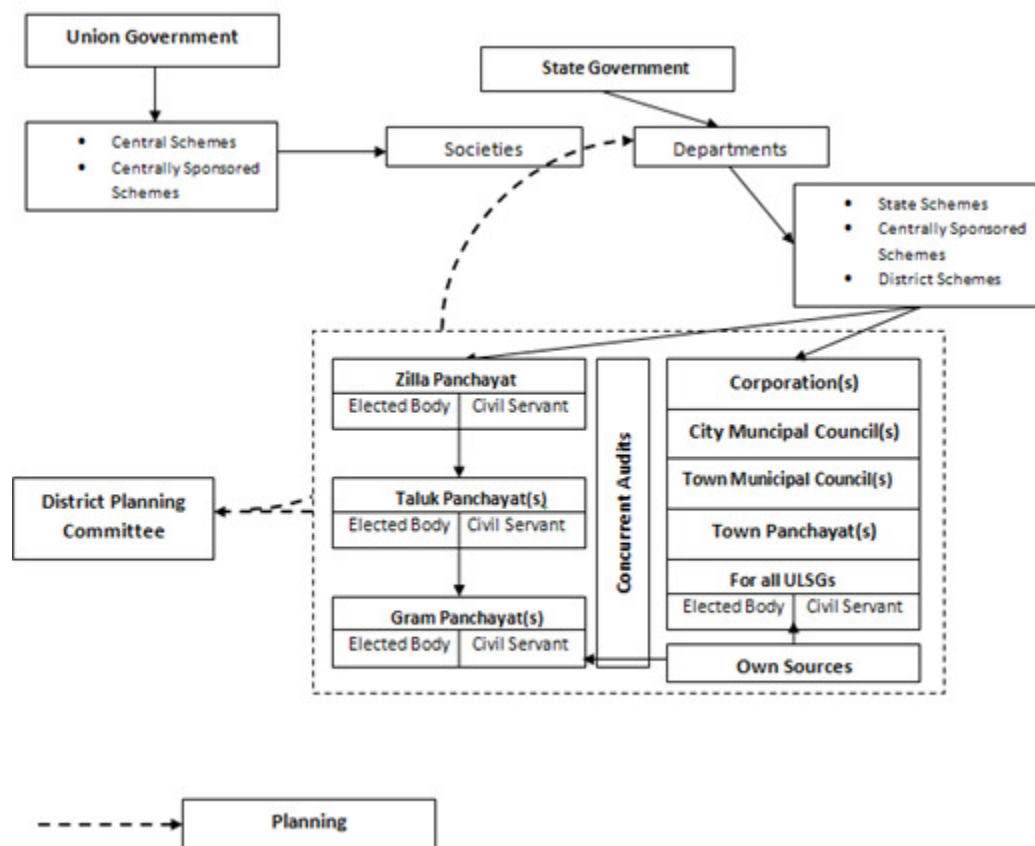


Figure 5: Proposed fund flow and planning process

The above diagram clearly demarcates the policy making and implementation functions between the State departments and the lower levels of government. While the flow of funds doesn't alter, the planning function must be carried out by the urban and rural local self governments. At present, the State departments hold the planning and implementation function across all levels of government. We recommend the State departments and the Ministers focus primarily on policy formulation and monitoring functions while the local self governments draw up the blue print for planning and implementation of programmes based on the local need.

The District Planning Committee will integrate the urban and rural plans prior to implementation. The policy maker i.e. the State Department monitors the progress of implementation and ensures the outcome match the goals set forth in the policy document.

b. District-level treasury functions should be strengthened to enable the efficient reporting for local governments and accountant general/audit purposes. This would include routing all transactions including that of the bank as well as the own funds of the local governments, through the treasury which will facilitate the processing of accounts in a better manner. This would also enable the State government in releasing the finance commission grants (centre and state) which are performance based. Some other recommendations regarding the treasury –

- Direct transfer of funds to the PRIs: The process of preparation of Adjustment Bills and bills for distribution of funds is cumbersome and as pointed out in the earlier section, it is subject to inefficiencies. Direct transfer of funds to the PRI accounts under the respective PRI account heads (as prescribed by CAG) will overcome this problem.
- PRI offices should be connected to the TNMC: In the current scheme of things, PRIs have no real time access to their funds in the treasury. The software is stand-alone which means that it is not connected to the server. Hence, to even know something as simple as their current fund status – officials from the ZP have to go to the treasury and manually note down the allocation details or the current status of their funds – or whatever the requirement may be.

- c. The CAG recommended accounting system shall be put in place for PRIs. This will also end the ambiguity of plan and non plan at the local government level. The 13th finance commission has recommended the production of statement of Maintenance expenditure at the State level along with the finance accounts. Maintenance expenditure calculation in turn relies on the proper maintenance and updating of the asset register at the various local government levels. The AG audit every year stated that the local governments are not maintaining the Asset Register. To aid in this 13th finance commission's provision of Rs. 1 crore each for creation and maintenance of database, and for district innovation fund can be utilised.
- d. There should be one point where in the amount coming to district from various sources and amount generated in the district be known. Currently this is not possible and one has to collate this information from treasury, ZP accounts department, and bank data sources.
- e. Account heads need to be revised and streamlined – the Department of Health' have recommended reducing the number of heads by clubbing all capital expenditures under one head and similarly for other heads of accounts.
- f. The estimation of salary component can be done away with – this is time consuming and since the finance department is the single point of reference as far as the question of salary estimates go – it shouldn't be difficult for them to come up with the estimates themselves. Since HRMS is generating the pay-bill of the employees, it should be possible to use the database for estimation of salaries. The 13th finance commission also recommends the central payroll system which can create the accurate estimates of salaries, pensions etc. It has made a provision of Rs. 225 crore for the purpose and advised the states to look into various models like the one by Chhattisgarh for the same.
- g. Move towards paper-less transactions: Many of the inefficiencies discussed above are because they are paper-transactions. From delays in receiving Government Orders, 3-stages of processing at the treasury to fraudulent bills – paper transactions encourage inefficiency and less transparent systems. While Khajane attempts to do this, there have been several shortfalls and Khajane II will perhaps address some of these lacunae.
- h. Budget Control at the Taluk Panchayat level: Without budget control at the taluk level, there is unaccounted for expenditure. Though there has been a move to curb this by introducing a

counter-sign mechanism to keep taluk level treasury transactions in check, the practice still continues as it came out during our field visits. CBPS recommends that the general body of the ZP be given powers to reallocate funds within minor and sub-heads subject to no change at the major head. These reallocations should be preceded by formal debate and voting

- i. Payment of salaries must be devolved to the ZP's and not remain in the powers of the treasury or the state. The Finance Department can estimate these requirements and pass a lump sum to the local self government which should pay the salary.
- j. CBPS recommends that each level of local self government be subject to chartered accountant audit within 3 months of the end of the financial year. This is without any dilution of rights of government auditors. This CA audit report must be discussed in the general body and an action taken report prepared.

4.3 Vision and Implementation Strategy

All departments including societies, corporations etc must engage in a visioning exercise where inputs are sought from administrators, officials and staff at all levels of implementation, academicians, elected representatives etc. Based on the vision, mission statement, objective – short term and long term may be evolved. This process will also help in evolving an implementation strategy that can tremendously improve service delivery. Once this exercise has been completed, all the stakeholders in the department including the citizens must be informed about it through the use of media and other methods.

4.4 Focus on Outcomes and not Outputs

The government must shift its focus from using only quantitative data as an indicator of success/performance to an approach that combines both quantitative outputs and qualitative inputs in problem solving. When combined with expenditure data, it is possible to get a clear picture of how much money was spent on what service, how many people benefited and what were these benefits. These results may be then measured for effectiveness in relation to the overall objectives of the department. Social audits are increasingly becoming popular as an accountability tool. By inviting the citizens to participate openly in a discussion on the outcomes of a programme and verifying it with the actual records, several implementation problems can be addressed.

4.5 Redefining Accountability Relationships

In the current scenario, the accountability relationships are all skewed. Local self government officials belong to Departments and are accountable to their respective state departments/directorate/commission and not to the local elected representatives. Since officials at the district level and below consider themselves as extensions of the State, they answer to the State while in fact they should be answerable to the elected representatives in the same way Secretaries are answerable to Ministers. The current practice of accountability is captured in the form of a chart below.

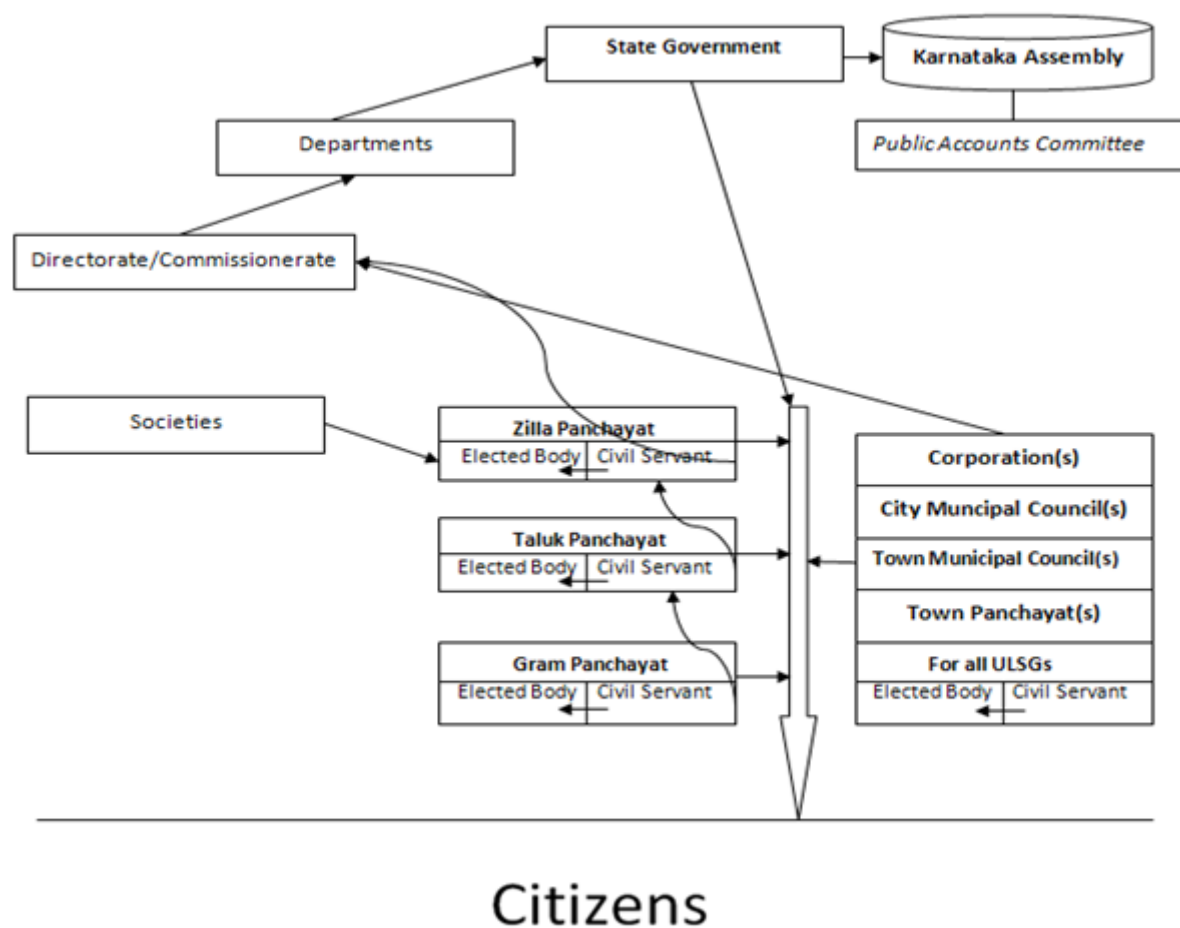


Figure 6: Present Accountability Relationships

The current practice is severely flawed and undermines the role and capacity of the local self governments to adopt a bottom-up approach in planning and implementation. The current design must be corrected and restored to reflect certain changes whereby the State is directly held accountable to the citizens. Depicted below is the proposed accountability structure. The State departments play the policy making and monitoring role and are accountable for the overall growth and development in all regions of the state while implementation is a local government subject to state monitoring.

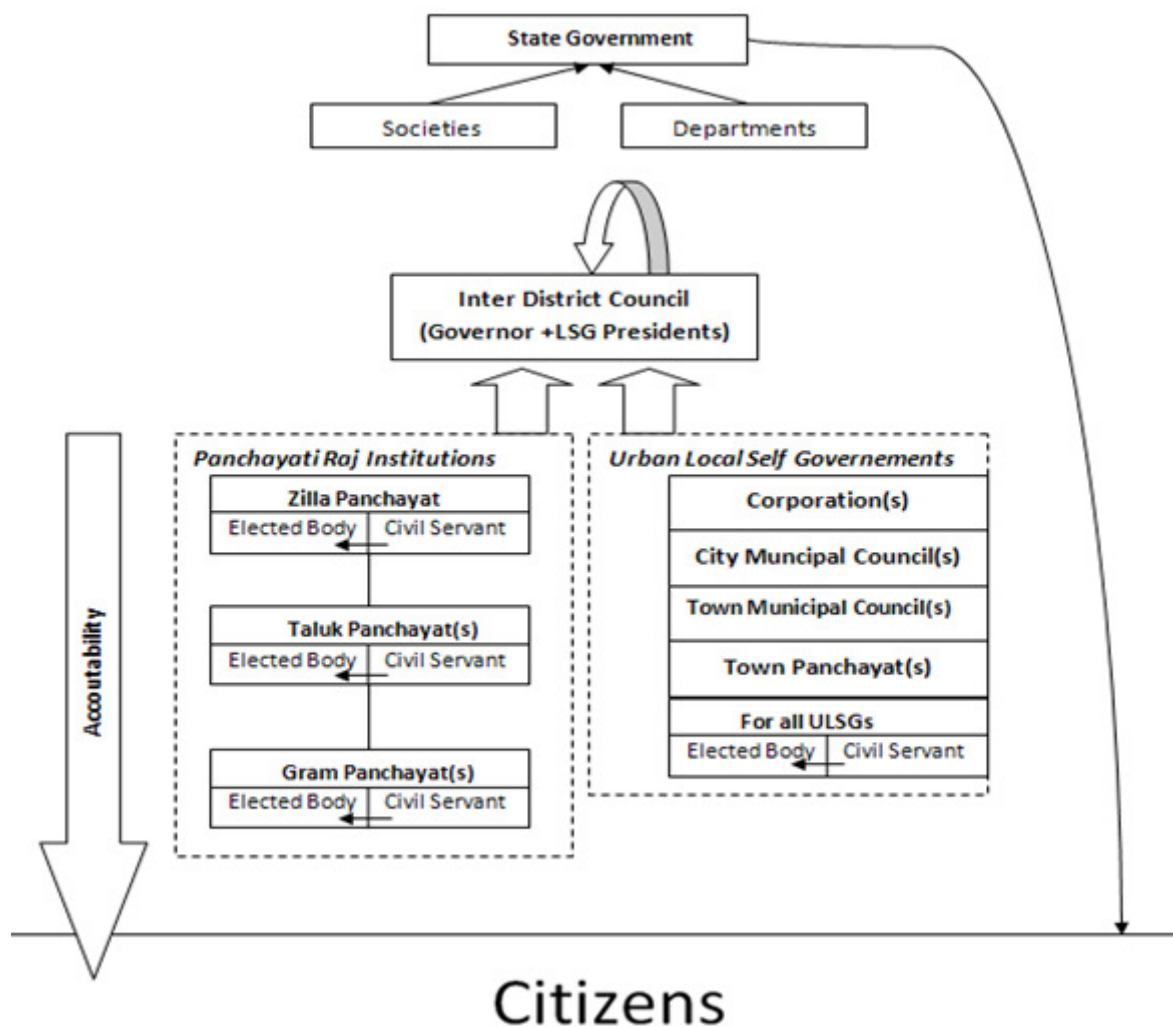


Figure 7: Proposed Accountability Relationships

4.6 Activity based implementation Vs Schemes

The step that automatically follows the above two points are activity based implementation. In the last 63 years, schemes have not proven to be the most effective method of delivering service to the people. This realisation is what we see in several central government programmes such the NRHM, NHM, SSA and the like. Though these programmes have the disadvantage of functioning to parallel societies, they follow an activity based implementation. Every activity or a group of activities when completed lead to the realisation of a goal or objective that takes the department one step closer to its mission and vision. An activity map has been developed for the department of Health and Horticulture. (See Annexure 5)

Learning from international experience, one must look at Brazil which has followed this model by introducing a “Zero hunger” programme in 2003 to eliminate hunger by 2015. This programme combines several social programmes across 11 ministries to include programmes such as construction of water tanks, to agricultural loans and food aid to address the issue of malnutrition and hunger (<http://www.worldhunger.org/articles/08/hrf/ananas.htm>).

4.7 Government as regulator

In the current system, departments play multiple roles, including policy formulation, operations / service delivery, regulation, monitoring and evaluation. Some of these roles are mutually conflicting and the overall organization is not well suited to performing all these roles effectively. It is recommended that in identified departments, the feasibility of separating these roles and consequent reorganization should be examined in depth.

4.8 Management Audits

In addition to financial audits and performance audits, management audits must be introduced in order to study the organisational efficiency aspects of departments. This will provide a better picture of the performance of departmental functions including staff performance, process bottlenecks etc.

5.0 Summary of Recommendations and Conclusion

The study of institutional mechanisms is vast and complicated. It is more so if the institution studied happens to be the government. While the government aims to bring in some form by way of structures and rules, it is important that the form must follow the functions. What we have captured in this report is a set of problems that are endemic to the system of governance in India. We present a summary of our recommendations here. A detailed set of recommendations can be found in Section 4.

- **Vision and implementation strategy:** There is an urgent need for a vision and implementation strategy for all departments. The MDGs are a useful summary. While the larger objectives are broad, a set of activities to meet the desired objectives must be developed. Currently this practice does not exist and instead schemes with little flexibility are being implemented. We recommend a complete revamping of government programmes into activity based implementation instead of schemes and programmes. The role of the State is that of broad objective setting whereas implementation of activities must rest with the local government, district/urban agency.
- **Financial re-organisation:** Re-organising fiscal processes such as adoption of direct transfer of funds to PRI under the respective PRI account heads as prescribed by the CAG, devolution of funds to local governments, strengthening of district treasuries, etc are matters that need urgent attention. PRI's should be connected to the Treasury Network Management Centre to facilitate real time access to their funds in the treasury.
- **Improved maintenance of assets:** Local governments must be encouraged to maintain asset registers as per the CAG recommendation. Asset registers aid in better estimation of maintenance expenditure. 13th Finance commission provision of Rs. 1 Crore for creation and maintenance of databases may be utilised for this purpose.
- **Improved HR processes:** The estimation of salary component can be done away with. This is a time consuming exercise for each department which may very well be done by the Finance department using the HRMS database which generates the pay-bill of all employees. Rationalisation of human resource and reviewing the human resource requirements based not on the old sanctioned post but based on the current nature of services and skill requirements of the department will be a useful exercise to undertake. Adopting management principles in dealing with government officials and conducting regular management audits are a few other areas that must be focussed on.

- **Use of technology**, especially information technology, to streamline several processes which can lead to maximising efficiency and minimising loss of time, avoid duplication of beneficiaries etc.
- **Government as reliable service provider:** The government must reinvent itself as a provider of reliable service by committing to a service level agreement or guidelines. These guidelines define the quality parameters of service delivery and the redresal mechanisms for poor service. Madhya Pradesh and Bihar have recently passed laws to this effect.
- **Focus on Outcomes and not Outputs:** The government must shift its focus from achieving outputs to outcomes. Programme implementation is not only about providing access to services but mainly about providing reliable and quality service. By tracking expenditure data, it is possible to get a clear picture of how much money was spent on what service, how many people benefited and what were these benefits. However, the quality of service and the satisfaction of people accessing these services can be measured for effectiveness only in relation to the overall objectives of the programme. Social audits are increasingly becoming popular as an accountability tool. By inviting the citizens to participate openly in a discussion on the outcomes of a programme and verifying it with the actual records, several implementation problems can be addressed.
- **Government as regulator:** In the current system, departments play multiple roles, including policy formulation, operations / service delivery, regulation, monitoring and evaluation. Some of these roles are mutually conflicting and the overall organization is not well suited to performing all these roles effectively. Though there may be different guidelines for Union schemes and State schemes, the final implementation of all these programmes are by the same state staff at the district level (except independent societies). In some instances, exclusive departments have been created for implementation of programmes like the Department of Women and Child Welfare for implementation of ICDS. Instead of these vertical departments project groups or a matrix organisation without department and cadre etc may be considered. It is recommended that in identified departments like Health, Education, Social Welfare etc, the feasibility of separating these roles and consequent reorganization based on the 73rd and 74th Amendment to the Constitution of India should be examined in depth.

CBPS believes in the concept of a federal government structure. India has decentralised in a legal sense through the 73rd and 74th Amendment to the Constitution of India. However several problems outlined in this report seem to point to the failures in decentralisation of government programmes and service delivery. We believe decentralisation is the right thing to do, to empower people to look after themselves in a democracy.

6.0 References

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Annexure 1: Questionnaire on studying institutional mechanisms

1. Structure of the organization: to include an organogram

- a) Do you have adequate man-power at all stages of implementation? Give a diagrammatic representation of the implementation and the shortfall in staff at all stages.
- b) Delegation of power within the hierarchy (a print out or space for an organogram would be ideal)
- c) Where does the implementation authority lie?
- d) What is the line of supervision?
- e) What are the methods of supervision?
- f) What are the actions taken as a result of supervision? Please give number of cases of implementation failure, supervision failure and the action taken in these situations. For eg: What is the date on which textbooks are reached to the schools? What action is taken for the delays in dispatching the books? Similarly when does medicines reach the PHC's and what are the delays between the date of requesting for supplies and actual receipt of medicines? If such delays have been penalized, give details of such incidents.
- g) After the introduction of PPP model of project implementation, had there been a reduction in the staff strength
- h) In several departments, there are multiple agencies offering similar services. Why have they not been integrated into one and are the staff of such agencies fully engaged with work? For eg: there are several engineering services such as PWD, Panchayati Raj Engineering and the Karnataka Land Army Corporation. Are they all fully occupied? Why are the services of these organizations not being utilized instead of outsourcing Public works under a PPP model?

2. Processes within the organization

- a) How are schemes identified and developed? For eg: how was the Karnataka State Health Systems Project conceptualized and what was the background work/study to prepare this project?
- b) What is the nature of a scheme?
- c) Is there any developmental activity of the department that falls outside of the framework that is used to develop schemes?

- d) Why are some schemes implemented through societies etc and not by the departments, like Mahila Samakhya, Sarya Shiksha Abhiyan and so on? Have they performed better? Is there evidence for this?
- e) What are the difference between projects and schemes?
- f) What are the guidelines for implementation of schemes and is there flexibility to work around these guidelines? If yes, a person at which level of implementation is able to use this flexibility?
- g) Can the implementation processes of a scheme be modified or adapted to meet its goals and at which level of the organization hierarchy does this power lie? For eg: All girl children are given cycles but are there any effort made to teach them how to ride the cycle? The efficacy of the scheme may be lost if the girls don't know how to ride and therefore don't use the cycle to go to school which in turn does not improve attendance and enrolment, the primary objective of such a scheme.
- h) How does the department deal with an officer who deviates from the guideline but meets the target objective of the scheme? What penalty mechanisms exist toward such actions?
- i) Does the department utilize IT effectively to support its various activities, programs, schemes? Does the department use an Intranet? Please provide details of IT infrastructure and applications presently deployed.

3. Do you have any suggestions for the ERC to improve your departmental functioning?

Annexure 2: Format for fund flow tracking at the State and District level

Expenditure Details of Social Welfare for the year 2009-10															
	Account Code	Allocation as per the Link Document	Number of Instalments:			Amount Received		Amount Allocated		Amount Spent		Unspent Balance (as on 31st March)	Unspent balances as % of allocation	Date of Audit	Action taken on audit report
#	Head		Date of First Receipt	Date of Second Receipt	Date of Last Receipt	Plan	Non-Plan	Plan	Non-plan	Plan	Non-Plan				
1	2235-01-001														
2	2235-01-101														
3	2235-01-102														
4	2235-01-103														
5	2235-01-104														
6	2235-01-105														
7	2235-01-106														
8	2235-01-107														
9	2235-01-108														
10	2235-01-109														

Annexure 3: Schedule of meetings attended

Date	Department
August 1 2009	PWD, KSHIP, Agriculture, Horticulture, Watershed
August 10 2009	Meeting at ERC with officials from WRD, Mines and Geology, RDPR, KRWSSA
August 25 th 2009	Meeting at ERC with Education, Employment and Training
October 13 th 2009	KUWSDB, KUIDFC, BWSSB, BBMP, DMA
October 29 th 2009	Social Welfare and Minorities Welfare, KMDC, KSTD
November 9 th 2009	Minor irrigation and PWD
November 10 th 2009 and December 10 th 2009	Agriculture
November 13 th 2009 and December 8 th 2009	Social Welfare
November 11 th 2009	Labour & Employment
November 18 th and December 2 nd 2009	Education
November 11 th 2009	Commissioner Health and Family Welfare
December 2 nd and December 7 th 2009	Horticulture
December 8 th 2009	ITI
December 8 th and 9 th 2009	KUWSDB
December 3 rd 2009	CAO and JD Planning Health and Family Welfare
December 8 th 2009	Department of Social Welfare
December 10 th 2009	Department of Agriculture
January 21 2010	Presentation by IDEck/KIPA – KUWSDB, Minor Irrigation
25 th January 2010	Meeting at ERC – Karuna Trust
February 5 th 2010	Field visit – Mysore City Corporation, ZP – CAO and CPO
February 6 th 2010	Field Visit - Mysore ZP – Chairperson, Taluk Health Officer
February 23 rd 2010	Meeting with ERC
March 16 th – 19 th 2010	Field Visit to Shimoga District. Meeting with CEO, CPO, CAO, NRHM District Programme Manager, Taluk Health Officers, District Program officer – RCH, Deputy Director – Horticulture, Assistant Director Horticulture – Sikaripur Taluk, Administrative Medical Officer-Sagar Taluk, Member – Zilla Panchayat
March 26 th 2010	Meeting at ERC with SIRD
March 24 th 2010	Field visit to Dharwad District
November 2-3 rd 2010	Field visit to Chamarajnagar District
November 9-11 th 2010	Field visit to Bidar District
November 25 th 2010	Meeting with ERC, HRMS and Treasury staff
December 21 st 2010	Meeting with ERC, planning department staff, etc

Annexure 4: Interview Guide for institutional mechanisms

Questionnaire for District level officials

People to interview: DHO, DPO, District Manager for Health, CEO, CPO, CAO, DPC, Standing committee on Health, Argoya Raksha Committee members.

Objective of the Questionnaire: To understand the various institutional mechanisms of the health department at the local levels. This includes **all administrators** at the District level. This questionnaire when administered should take 90 minutes for the answers with a maximum of 120 mins.

Section I: FUNCTIONS

1. What is the vision of the State health department?
2. Please mention all the functions of the Health department as per your understanding
3. Were you aware of the Guidelines for these schemes –
 - a. who drafts them -
 - b. Were you consulted in the implementation of the schemes?
 - c. Could you make decisions on the go regardless of the guidelines?
 - d. Were there any constraints faced by you with regards to the guidelines?
 - e. How often the guidelines are reviewed based on the grass root needs?
 - i. More than once a month
 - ii. One a month
 - iii. Others
4. List the programs and schemes implemented by department in 3 yrs (GOI/GOK) that you have been involved in

Name of the scheme	Start Date	End Date (if relevant)	Which government scheme – center or state?	Please mention if there were any overlaps between state and center schemes you have implemented? Yes / No

5. How many of the schemes you are involved in can be converged or discontinued?
6. Do you feel that central schemes are easier to implement? Why so?
7. Is one of your responsibilities to collect data on the field? In what format –

- a. Register
 - b. paper
 - c. Telephone
 - d. Computer
8. Does the same staff implement central schemes and state schemes? How is a distinction maintained?
9. “Central schemes perform better” – is this claim justified? If yes, please explain why and give examples.
10. What are the bottlenecks faced by you/your staff in meeting your outputs or outcomes?
11. Do you have a systematic record of list of beneficiaries in a digital format to avoid duplication?
12. Where is the data entry done?
 - a. At the government office at the local level?
 - b. At the State level?
 - c. Any other
13. Is there any assessment of mid course corrections in a project that is being implemented?
14. How are mid-course corrections in projects dealt with?
15. List of PPP projects: How do they work within the district?
16. Planning process:

 - a. What is the planning process followed prior to the start of each financial year?
 - b. Are needs assessment conducted?
 - c. Who are these plans/needs assessments given to?
 - d. What happens once they are passed on to the higher authorities?
 - e. Do you receive feedback on your plans or get notification of the final version?

Section II: FUNCTIONARIES

1. Structure

- i) In the schemes you have implemented, have you been provided any staff for support?
- ii) Please mention the reporting structure of the schemes'

Name of the scheme	Reporting Date	Who is the report sent to	Which level of government are they?	Is there any feedback on your reports?	If there are problems raised by you, do they get discussed in upcoming meetings

Authorities below district level to continue

- iii) What is the current staff strength of your department/institution? (Vacant & sanctions). Do you outsource staff? Which group and functions are outsourced?

- iv) Does the current staffing pattern match the extent of work to be implemented or is there an excess or shortfall?
- v) When was the last time a review of staff requirements was conducted? rationalisation of staff
- vi) Reporting mechanisms: Are any of the following reporting mechanisms used
 - (1) PIP,
 - (2) MPIC,
 - (3) Monthly reports,
 - (4) Diaries etc?

2. Confidential Report:

- 1. How many people come under your immediate supervision?
- 2. How many are recruited by you?
- 3. How many are deputed by the different departments?
- 4. How many people do you have the powers to transfer?
- 5. Whose confidential reports do you write? Name them.
- 6. How many parts are there to it and which part do you write?
- 7. Who do you report to?
- 8. Who writes your confidential report? Does any of the elected representatives write any specific sector like they do in Kerala?

3. Job Descriptions: All levels

- I. Do you have a job description? When were you given this?
- II. If yes, has it been revised since? Mention date.
- III. Do you feel that you do more than what your job description is? If yes, name the activities and how much time you spend on each of these activities.

4. Review: All Levels

- 1. Is your performance measured against the job description?
- 2. Do you measure performance of your staff based on job descriptions?
- 3. How often is this done?
- 4. Are performance reports submitted by all officials?
- 5. How often are they submitted
 - i. Monthly basis
 - ii. Quarterly basis
 - iii. Yearly basis
 - iv. Any other
- 6. Is there any action taken on these reports?
 - i. Yes
 - ii. No
- 7. If yes, what are the actions taken?
 - i. Agent is sent a warning, but no action taken
 - ii. Agent is fired?
 - iii. Agent is transferred?
 - iv. Agent is penalised?
 - v. Nothing is done.
- 8. Have you been promoted on the basis of your
 - i. Performance
 - ii. Years of service

- iii. Any other
- 9. Have you promoted your staff based on?
 - i. Performance
 - ii. Years of service
 - iii. Any other

5. Training and capacity building of staff: District Level

- I. How are training needs assessed?
 - a. Depend on the program?
 - b. Depend on the request of the staff?
 - c. Any other
 - II. Specific budget allocation for training? % of the total budget?
 - III. Does the training budget differ from scheme to scheme?
 - IV. Steps taken to address training needs by your superiors?
 - V. Are there sufficient trainers and support institutions for training needs?
 - VI. What kind of measures will improve training programs currently implemented?
 - VII. Is there any impact evaluation done on effect of the training programs?
 - VIII. Are there any follow up sessions based on the needs of the staff?
6. Is there a **grievance redressal mechanism** within the department for staff?
7. What is the follow up mechanism on this?

CONVERGENCE:

1. Which are the departments with which you interact on a regular basis? Name them.
 2. In situations where two or more departments are involved in delivering the same service to people, is there co-ordination between the departments concerned? Eg: (roads, electricity, water and drainage do they converge while digging the road)
-

Section III: FUNDS

1. Budget, revenue and expenditure

- i. Total amount (budget) handled by the ZP in a year
- ii. How much of the budget comes in the form of block grants from the health department?
- iii. What is the composition – state, centre, donor organisations, loans, untied funds

	Percentage
Center	
State	
Donor	
Loans	
Untied Funds	

- iv. Tax and non tax revenues (eg: user fees)
- v. What is major expenditure (payments) of heads?
 1. Salary? – Please specify %
 2. Non Salary? – Please specify %
 3. Capital Expenditure - %

- vi. What is the budget for plan and non-plan schemes? In %
- vii. How much of the (PLEASE GIVE %)
 - 1.Non Plan schemes is
 - a. CS,
 - b.CSS,
 - c. SC and
 - d.fund from the State Finance Commission
 - 2.Plan schemes is
 - a. CS,
 - b.CSS,
 - c. SC and
 - d.fund from the State Finance Commission
 - e. others
- viii. What is the accounting system followed?
 - 1.Single Entry
 - 2.Double Entry?
- ix. How useful is this system in speeding up your accounting process?
 - 1.Very
 - 2.Not really
 - 3.Not at all

x. Are you supposed to maintain the following –

Type of Budget	Submission date	Who is the budget sent to	Which level of government are they?	Are these used in your decision making process? Yes/ No
Performance budget				
Gender budget				
Outcome Budget				
Financial Budget				

2.Accountability systems:

- i. What are your drawing powers? Please specify the limit.
- ii. What kinds of budget heads can you draw under?
- iii. What is your power for reallocation of funds?
 - 1.I cant reallocate but I do based on the need
 - 2.I don't have any reallocation powers
 - 3.I can reallocate
- iv. Who is your controlling officer?

- v. Does the chairperson of standing committee at the ZP have a role to help you in the disbursement of the funds?

3. Fund Flow process:

- i. Please trace the process of fund flow from the state to your level.
- ii. Is there a time lag in settlement of bills by the State? Do you have any pending bills to be settled by the State? If yes please specify amounts and since when it has been pending. Are they pertaining to state schemes or central schemes?
- iii. Are there any bottlenecks in the flow of funds? If yes, please specify the exact nature of the problem.
- iv. In how many instalments/grants/releases do you receive your budget allocation?
- v. What are the exact amounts of each of these releases and which month is this released?
- vi. Does it match the activities to be implemented during a specified period? Please state at which month is there a shortfall and which month is there an excess?
- vii. When there is a shortfall of funds, how do you manage to carry on with implementation?
- viii. Do you borrow funds in the form of loans etc from Banks to tide over shortages? Please give us instances if any.
- ix. At what interest do the banks lend you this money?

4. Use of IT

- i. Are you using the “Khajane” /software?
- ii. If yes, has it been useful in expediting payments and better accounting?
- iii. Please give examples of problems that you have overcome by using Khajane.
- iv. Were you and your staffs provided adequate training to use Khajane software?

5. Audits

- i. Who conducts financial audits of your accounts?
- ii. How long does it take for the audit report to come to you?
- iii. Who answers audit queries? Does it go back to the council?
- iv. Do you also conduct management audits?

Section IV: ACCOUNTABILITY MECHANISMS

1. Accountability and participation:

- I. Have you attended any ward sabhas in your area?
- II. Is health discussed here?
- III. Is there a Citizens’ forum in your area? What is their role?
- IV. Are social audits conducted? Do citizens participate in evaluating quality of service delivery?
- V. Are there any Public consultations (like using the help of NGOs, individuals outside the government, elected representatives) for preparation of budgets?

2. Monitoring and Evaluation

- a. Who monitors the implementation of service delivery?
- b. Has there been an evaluation of the different schemes/programmes by an independent external evaluator? Please give us instances and reports.
- c. Has there been a third party evaluation of your programmes? Which of the programmes?

3. Disciplinary action:

- a. Are there any disciplinary action taken against irregularities in implementation?
Please give the number of disciplinary cases pending against officials in your department/institution.

4. Procurement: What is the process of procurement? E-tendering? Do you follow KTPP?

5. RTI: Do you have a PIO for RTI? How far have you complied with Section 4?

6. PLANNING

1. City plans: (District level Corporation or Municipality authorities only)

- I. Are there city development plans made for health sector?
- II. Who prepares it?
- III. Are there public consultations around this?
- IV. Are these CDP revised on a yearly basis?

2. District planning committee (ask at District level)

- I. When was it formed?
- II. Who are its members?
- III. Are DPC involved in the planning process?
- IV. Are needs assessments done before planning begins?
- V. Please describe the needs assessment exercise done by the DPC?
- VI. Do the recommendations from the DPC report get featured into the district plan?
- VII. Are fund allocated based on this plan?

2. ZP plans

- I. Describe the planning process at the ZPs
 - II. Do funds get allocated based on the plans made by the ZPs?
 - III. Who in the ZP can negotiate with the State for more funds?
 - IV. What happens if the funds allocated are lower than the plan allocations?
 - V. Who monitors plan on a year to year basis to see if the outcomes are achieved?
 - VI. What sort of local data is used for the planning process?
 - VII. Are District objectives chosen based on the State level objectives or on a need basis?
 - VIII. Does the ZP plan also assess the needs of the health system and make recommendations for rationalisation of staff?
-

Section V OTHERS

1. Field level constraints in implementation
2. Any Innovations/best practices
3. Any other suggestions to improve institutional mechanisms

Questionnaire for Taluk and Village level staff

Objective of the Questionnaire: To understand the various institutional mechanisms of the health department at the local levels. This includes all service providers and administrators at the SC, PHC, Taluk Level, and any others who are below the District and ZPs, not including those in the ZP and districts. Depending on the person interviewed, this questionnaire when administered should not take more than 60 minutes.

People to interview: PHC Staff, ANM, FHW, Doctors/Medical Officers, VHN, Nurse, Lab Technicians

Section I FUNCTIONS

1. What is the vision of the State health department?
2. Please mention all the functions of the Health department as per your understanding
3. Were you aware of the Guidelines for these schemes –
 - a. who drafts them -
 - b. Were you consulted in the implementation of the schemes?
 - c. Could you make decisions on the go regardless of the guidelines?
 - d. Were there any constraints faced by you with regards to the guidelines?
 - e. How often the guidelines are reviewed based on the grass root needs?
 - i. More than once a month
 - ii. One a month
 - iii. Others
4. List the programmes and schemes implemented by department in 3 yrs (GOI/GOK) that you have been involved in

Name of the scheme	Start Date	End Date (if relevant)	Which government scheme – center or state?	Please mention if there were any overlaps between state and center schemes you have implemented? Yes / No

5. How many of the schemes you were involved in can be converged or discontinued?
6. Do you feel that central schemes are easier to implement? Why so?
7. Is one of your responsibilities to collect data on the field? In what format –
 - a. Register
 - b. paper
 - c. Telephone

- d. Computer
- 8. Planning process:
 - a. What is the planning process followed prior to the start of each financial year?
 - b. Are needs assessment conducted?
 - c. Who are these plans/needs assessments given to?
 - d. What happens once they are passed on to the higher authorities?
 - e. Do you receive feedback on your plans or get notification of the final version?

Section II: FUNCTIONARIES

1. Structure :

- i) In the schemes you have implanted, have you been provided any staff for support?
- ii) Please mention your reporting structure of the schemes'

Name of the scheme	Reporting Date	Who is the report sent to	Which level of government are they?	Is there any feedback on your reports?	Is there are problems raised by you, do they get discussed in upcoming meetings (yes/ No)

2. Reporting mechanisms: Are any of the following reporting mechanisms used

- 1. PIP,
- 2.MPIC,
- 3.Monthly reports,
- 4.Diaries etc?

3. Confidential Report: (for medical Officer and above, upto Officers posted at the district level)

- I. How many people come under your immediate supervision?
- II. How many are recruited by you?
- III. How many are deputed by the different departments?
- IV. How many people do you have the power to make their transfers?
- V. Whose confidential reports do you write? Name them.
- VI. How many parts are there to it and which part do you write?
- VII. Who do you report to?
- VIII. Who writes your confidential report? Do any of the elected representative write any specific sector like they do in Kerala?

Job Descriptions: (All Levels)

- I. Do you have a job description?
- II. If yes, are these job descriptions revised?
- III. Do you feel that you do more than what your job description is?
- IV. If yes, Please name a few of these activities.

4. Review: (Medical officer to Taluk Officer. Not below Medical officer.)

- I. Is your performance measured against the job description?
- II. Do you measure performance of your staff based on job descriptions?
- III. How often is this done?
- IV. Are performance reports submitted by all officials?
- V. How often are they submitted
 - a. Monthly basis
 - b. Quarterly basis
 - c. Yearly basis
 - d. Any other
- VI. Is there any action is taken on these reports?
 - a. Yes
 - b. No
- VII. If yes, what are the actions taken?
 - a. Agent is sent a warning, but no action taken
 - b. Agent if fired?
 - c. Agent is transferred?
 - d. Agent is penalised?
 - e. Nothing is done.
- VIII. Have you been promoted on the basis of your
 - a. Performance
 - b. Years of service
 - c. Any other
- IX. Have you promoted your staff based on?
 - a. Performance
 - b. Years of service
 - c. Any other

5. Training and capacity building of staff: (medical Officer and above, upto Officers posted at the district level)

- I. How are training needs assessed?
 - a. Depend on the program?
 - b. Depend on the request of the staff?
 - c. Any other
- II. Specific budget allocation for training? % of the total budget?
- III. Does the training budget differ from scheme to scheme?
- IV. Measures taken to address training needs?
- V. Are there sufficient trainers and support institutions for training needs?
- VI. What kind of measures will improve training programs currently implemented?
- VII. Is there any impact evaluation done on effect of the training programs?
- VIII. Are there any follow up sessions based on the needs of the staff?

(All Levels)

1. Is there a **grievance redressal mechanism** within the department for you or your staff?
2. What is the follow up mechanism on this?

CONVERGENCE: (All Levels)

1. Which are the departments with which you interact on a regular basis? Name them.
2. In situations where two or more departments are involved in delivering the same service to people, is there co-ordination between the departments concerned? Eg: (roads and electricity, water/drainage do they converge while digging the road?)

Section III: FUNDS

1. Budgets (medical Officer and above, upto Officers posted at the district level)

- a. What is your budget allocation? For the PHC or for the activities implemented by you as per the schemes?
- b. Is this Budget allocation sufficient for your PHC or do perform the activities?
- c. How do you overcome budget deficits and shortfalls? Please give examples.

2. Accountability systems: (All Levels)

- i. What are your drawing powers? Please specify the limit.
- ii. What kinds of budget heads can you draw under?
- iii. What is your power for reallocation of funds?
 1. I can't officially reallocate but I do based on the need
 2. I don't have any reallocation powers
 3. I can reallocate
- iv. Who is your controlling officer?

3. Fund Flow process: (medical Officer and above, upto Officers posted at the district level)

- i. Please trace the process of fund flow from the state to your level.
- ii. Is there a time lag in settlement of bills by the ZP/Center/State? Do you have any pending bills with the State? If yes please specify amounts and since when it has been pending. Are they pertaining to state schemes or central schemes?
- iii.
- iv. Are there any bottlenecks in the flow of funds? If yes, please specify the exact nature of the problem.
- v. In how many instalments do you receive your budget allocation?
- vi. What are the exact amounts of each of these releases and which month is this released>
- vii. Does it match the activities to be implemented during a specified period? Please state at which month is there a shortfall and which month is there an excess>
- viii. When there is a shortfall of funds, how do you manage to carry on with implementation?
- ix. Do you borrow funds in the form of loans etc from Banks to tide over shortages? Please give us instances if any.
- x. At what interest do the bank's lend you this money?

b. Use of IT: (For drawing officers only)

- i. Are you using the "Khajane" /software?

- ii. If yes, has it been useful in expediting payments and better accounting?
- iii. Please give examples of problems that you have overcome by using Khajane.
- iv. Were you and your staffs provided adequate training to use Khajane software?
- c. **Audits: (medical Officer and above, upto Officers posted at the district level)**
 - i. Who conducts financial audits of your accounts?
 - ii. How long does it take for the audit report to come to you?
 - iii. Who answers audit queries? Does it go back to the council?
 - iv. Do you also conduct management audits?

Section IV: ACCOUNTABILITY MECHANISMS

1. Accountability and participation: (All Levels)

- I. Have you attended any ward sabhas in your area?
- II. Is health of the sabha and related needs discussed here?
- III. Is there a Citizens' forum in your area? What is their role?
- IV. Are social audits conducted? Do citizens participate in this?
- V. Are there any Public consultations (like using the help of NGOs, individuals outside the government, elected representatives) for preparation of budgets?

2. Monitoring and Evaluation: (All Levels)

- a. Who monitors the implementation of service delivery?
- b. Has there been an evaluation of the different schemes/programmes by an independent external evaluator? Please give us instances and reports.
- c. Has there been a third party evaluation of your programmes? Which of the programmes?

3. Disciplinary action: (All Levels)

- a. Are there any disciplinary action take against irregularities in implementation? Please give the number of disciplinary cases pending against officials in your department/institution.

Section V: OTHERS All Levels

- 1. Field level constraints in implementation
- 2. Any Innovations/best practices
- 3. Any other suggestions to improve institutional mechanisms

Annexure 5: Activity Mapping for Horticulture and Health care

a. Agriculture (including Horticulture) and Extension

Activity	Distribution of Functions		
	District Panchayat	Intermediate Panchayat	Gram Panchayat
1. Increasing Agricultural production/Horticulture production/vegetable production	i) To develop necessary agricultural infrastructure ii) To prepare comprehensive crop plan iii) To develop and maintain data base for cropping pattern, land use and inputs use for planning iv) To maintain inventory of technological options v) To propagate adoption of new technologies vi) To organize kisan Melas, Fairs and Exhibitions vii) To arrange awards to best progressive farmers viii) To protect bio-diversity and promote profitable crop technologies	i) To help in crop yield estimation through maintaining link with various agencies and GPs/farmers ii) To advise suitable cropping system based on location specific characteristics iii) To assist DP in organizing farmers fairs, kisan Mela, etc. iv) To organize on-farm verification trials and demonstration of new technologies v) Reporting and initiating action plan for different items vi) To coordinate activities of field level extension workers and officials vii) To act as a link between DP and GPs for to transfer of knowledge and technologies	i) Estimation of crop yield and maintain data base ii) To assist in preparation of crop plan iii) To assist in advising farmers about remunerative crop activities and crop diversification iv) To assist in identifying progressive farmers for adoption and diffusion of new technologies v) To help in providing custom hiring services for plant protection equipment and farm implements vi) To generate awareness in use of organic vermiculture, etc
2. Assessment and Distribution of inputs	i) To prepare consolidated plan for input requirement ii) To acquire and arrange distribution of inputs in time iii) To improve adequate storage facilities for inputs iv) To monitor distribution of quality inputs	i) Assessing inputs needs for GPs and forwarding consolidated request to DPs ii) Ensuring timely availability of required inputs to GPs iii) Arranging storage and transport facilities for inputs iv) Close monitoring of inputs delivery system	i) To assist in assessing needs of various inputs such as seeds fertilizers, pesticides ii) To assist in timely distribution of adequate inputs to farmers

3. Credit Support	i)Preparing credit plan ii)Ensure timely credit availability and linkage between agriculture development and credit institutions, and monitor credit mobilization iii)Help in strengthening of cooperative credit institution	i)To assist in preparing credit plan ii)Ensuring timely credit from formal institutions iii) Monitoring credit delivery system.	i)To assist in assessing credit needs of various groups of farmers and crops. ii) Exercising social control and regulating interest areas and recovery of loans from formal and informal credit institutions. iii)Help in formation of Self-Help Groups
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b. HEALTH AND SANITATION, INCLUDING HOPITALS, PRIMARY HEALTH CENTRES AND DISPENSARIES

Activity	Distribution of Functions		
	District Panchayat	Intermediate Panchayat	Gram Panchayat
Health Care	i)Planning through the health committees ii)Provision of physical infrastructure iii)To coordinate communicable diseases programme (Eg. TB, Leprosy) with the State iv)To coordinate, construction and maintenance and supervision of Primary Health Centres(PHCs) v)Maintenance of district ISM (Indian System of Medicine hospitals) vi)Monitoring, review and evaluation vii)Periodic condition of Epidemiological surveys viii)To promote school health programmes ix)To organize health awareness rallies and camps	i)To assist in supervision and maintenance of sub-centres and deployment of field staff ii)Supervision of mid-day meals scheme for school children iii)To organize health family welfare camps and conduct demonstration-cum-exhibition programmes on health, family welfare and sanitation iv)Coordination/supervision of construction of sanitary latrines	i)To assist in formation of village health committees comprising panchayat members, representatives of villagers, village, Health Guide (VHG) trained birth assistant (TBA) and Multi-purpose health workers (MHWs) ii)Upkeep of village sanitation (cleaning of roads, drainage etc) iii)Mobilizing and organizing people for health, family planning and immunization camps.

DISTRICT PANCHAYAT

a. Agriculture (including Horticulture) and Extension

Activity	Powers	Staff & Org. support	Funds
1. Increasing Agricultural production/Horticulture production/vegetable production	i) CEO, DP to be the controlling officer for all agricultural depart. Of staff at the district level, for Tour Diaries, Attendance, Annual Reports etc. ii) Top to recommend to transfers of officers of officials belonging to State-Wise cadres	i) Principal Agricultural officer or District Agricultural officer, to prepare the schemes/projects etc. for the DP and its concerned. ii) All district level Agricultural staff working under him to assist the DO iii) Departmental officer to execute the schemes approved or decided by the DP. iv) District Agricultural officer to be a Member Secretary of the Scheme clearance/preparation etc v) For horticulture Schemes, District Horticulture Officer will be responsible for clearance of scheme etc.	i) Grants from Governments for earmarked schemes (both state/centre) ii) Local Resources (Tax, cess, Fees, etc) including District Plan Funds from State iii) Untied Grants from State/Centre for District/Block level Schemes
2. Assessment and distribution of inputs			
3. Credit Support	iii) To transfer district level officials within the district		
4. Extension support	iv) To call for reports/return v) All communication with State via DP.		
5. Soil Testing			
6. Post harvest management			
7. Risk Management			

b. HEALTH AND SANITATION, INCLUDING HOSPITALS, PRIMARY HEALTH CENTRES AND DISPENSARIES

Activity	Powers	Staff & Org. support	Funds
Health Care	i) CEO to be the controlling officer of District Health Officer / Civil Surgeon for tour diaries, attendance periodical reports inquiry or complaints etc. ii) To recommend to transfers of officers of officials belonging to state-wise cadres iii) To transfer district level officials within the district iv) To call for reports /reviews returns and attendance of officials and others v) All communication to State Govt.	i) District Health Officer /Civil Surgeon to be the member/invitee for discussions on department's schemes. ii) All subordinate staff to assist him iii) Department officer to execute the DIP decisions on schemes	i) Grants from Govt. for earmarked funds ii) Grants from Government for district level schemes (untied funds) iii) Local resources including District Plan funds

INTERMEDIATE PANCHAYATS

a. AGRICULTURE (INCLUDING HORTICULTURE) AND EXTENSION)

Activity	Powers	Staff & Org. support	Funds
1. Increasing Agricultural production/Horticulture/production/vegetable production	i) E.O/BDO to be the controlling officer of all departmental officers in the Block for tour diaries, attendance, Annual Reports etc	i) Block Agriculture Officer to be the member/invitee of the Committee on these programmes ii) All departmental officials to assist him	i) Grants from Govt. for earmarked funds ii) Grants from District Panchayat for earmarked schemes iii) Untied Grants from District Panchayat for block level scheme
2. Assessment and Distribution of inputs	ii) Redeployment of departmental staff within the block and to recommend to district Panchayat for inter block to transfer as per government guidelines	iii) Departmental officer to execute the IP's decisions about the schemes.	iv) Local resources including District plan funds
3. Credit support		iv) Department officer to execute the DP decisions on schemes.	
4. Extension support	iii) To call for any reports/returns		
5. Soil Testing	iv) To take action on complaint against GP		
6. Post harvest management	v) All communication from GP to DP through IP.		
7. Risk Management			

b. HEALTH AND SANITATION, INCLUDING HOSPITALS, PRIMARY HEALTH CENTRES AND DISPENSARIES

Activity	Powers	Staff & Org. support	Funds
Health Care	i) EO/BDO to be the controlling officer of all departmental officers in the Block for tour diaries, attendance, Annual Reports etc ii) Redeployment of departmental staff within the block and to recommend to District Panchayat for inter block to transfer as per government guidelines iii) To call for any reports/returns iv) To take action on complaint against GP v) All communication from GP to DP through IP	i) Block Health Officer/Senior Medical Officer will be responsible for planning and implementation for all the schemes ii) All departmental officials to assist him iii) Departmental officer to execute the IP's decisions about the schemes iv) Department officer to execute the DP decisions on schemes.	i) Grants from Govt. for earmarked funds ii) Grants from District Panchayat for earmarked schemes iii) Untied Grants from District Panchayat for Block level scheme iv) Local resources including District Plan funds

GRAM PANCHAYATS

a. AGRICULTURE (INCLUDING HORTICULTURE) AND EXTENSION

Activity	Powers	Staff & Org. support	Funds
1. Increasing Agricultural production/horticulture production/vegetable production	i) Power to check attendance of all GP level officials, forward the tour diaries/works details to the IP with the help of Panchayat secretary ii) Allocation and relocation of work within the GP	i) DP/IP level line functionaries to attend the GP meetings other officials too will have to attend when asked for and give details	i) Funds from IP/DP ii) Untied funds from DPC iii) Local resources
2. Assessment and distribution of inputs	iii) To recommend to transfer		
3. Credit support	iv) Reporting by line officials through the GP		
4. Extension support	v) Can call for details from the line department, receive the complaints and initiate action on it and inform the intermediate level panchayat		
5. Soil Testing			
6. Post-harvest management			
7. Risk Management			

b. HEALTH AND SANITATION, INCLUDING HOSPITALS PRIMARY HEALTH CENTRES AND DISPENSARIES

Activity	Powers	Staff & Org. support	Funds
1. Health Care	i) Power to check attendance of all GP level officials, forward the tour diaries/works details to the IP with the help of the Panchayat Secretary ii) Allocation and relocation of work within the GP iii) To recommend to transfer iv) Reporting by line officials through the GP v) can call for details from the line department receive the complaints and initiate action on it and inform the intermediate level panchayat	i) DP/IP level senior most line functionary to attend the GP meetings other officials too will have to attend when asked for and gives details ii) Supervision and control over the health and sanitation workers	i) Funds from IP/DP ii) untied funds from DPC iii) Local resources

Annexure 6: An expenditure analysis of Dharwad district over a 5 year period

Table 2 Dharwad Zilla Panchayat Expenditure against the allocation and receipts from the state government for the years 2003-04 to 2008-09.

Department of	Year	Link Doc Allocation	Amount received			Total Expenditure			Total Expenditure %			Total Exp as % of link doc	Amount Recd as % of link doc
			Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
AH	2003-04	24935000	3859000	21076000	24935000	2412177	29933095	32345272	62.51	142.02	129.72	129.72	100.00
	2004-05	47844000	2681000	42482000	45163000	6441666	29758445	36200111	240.27	70.05	80.15	75.66	94.40
	2005-06	24535000	2701000	21834000	24535000	3121550	22096479	25218029	115.57	101.20	102.78	102.78	100.00
	2006-07	22952000	2751000	20201000	22952000	2752451	20608249	23360700	100.05	102.02	101.78	101.78	100.00
	2007-08	28116000	4050000	24066000	28116000	4009249	22728174	26737423	98.99	94.44	95.10	95.10	100.00
	2008-09	33608000	4157000	29454000	33611000	4128910	27827443	31956353	99.32	94.48	95.08	95.09	100.01
		181990000	20199000	159113000	179312000	22866003	152951885	175817888	113.20	96.13	98.05	96.61	98.53
Co-Opn	2003-04	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00
	2004-05	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00
	2005-06	150000	150000	0	150000	88000	0	88000	58.67	0.00	58.67	58.67	100.00
	2006-07	210000	210000	0	210000	150000	0	150000	71.43	0.00	71.43	71.43	100.00
	2007-08	370000	370000	0	370000	350000	0	350000	94.59	0.00	94.59	94.59	100.00
	2008-09	414000	414000	0	414000	101000	0	101000	24.40	0.00	24.40	24.40	100.00
		1144000	1144000	0	1144000	689000	0	689000	60.23	0.00	60.23	60.23	100.00
Crop Hus	2003-04	22773000	4173000	18600000	22773000	2429258	28271365	30700623	58.21	152.00	134.81	134.81	100.00
	2004-05	22869000	5680000	17189000	22869000	4605123	27771924	32377047	81.08	161.57	141.58	141.58	100.00
	2005-06	37607000	16667000	17868000	34535000	17569201	4791218	22360419	105.41	26.81	64.75	59.46	91.83
	2006-07	49532000	26808000	22724000	49532000	22381403	13824675	36206078	83.49	60.84	73.10	73.10	100.00
	2007-08	52939000	28597000	24342000	52939000	24732179	22301514	47033693	86.49	91.62	88.85	88.85	100.00
	2008-09	54268000	28122000	26146000	54268000	18121665	17027073	35148738	64.44	65.12	64.77	64.77	100.00
		239988000	110047000	126869000	236916000	89838829	113987769	203826598	79.85	92.99	94.64	84.93	98.72
Fisheries	2003-04	5971000	4020000	1951000	5971000	1148430	1872350	3020780	28.57	95.97	50.59	50.59	100.00
	2004-05	1739000	0	1739000	1739000	1431000	1618210	3049210		93.05	175.34	175.34	100.00
	2005-06	3180000	1472000	1708000	3180000	691500	3263290	3954790	46.98	191.06	124.36	124.36	100.00
	2006-07	4195000	2231000	1964000	4195000	1753761	1767454	3521215	78.61	89.99	83.94	83.94	100.00
	2007-08	4477000	2371000	2106000	4477000	2190605	1917175	4107780	92.39	91.03	91.75	91.75	100.00
	2008-09	4908000	2651000	2257000	4908000	2176413	2199784	4376197	82.10	97.46	89.16	89.16	100.00
		24470000	12745000	11725000	24470000	9391709	12638263	22029972	73.69	107.79	90.03	90.03	100.00
Forestry	2003-04	5049000	5049000	0	5049000	5821009	0	5821009	115.29	0.00	115.29	115.29	100.00
	2004-05	7431000	7431000	0	7431000	8103935	0	8103935	109.06	0.00	109.06	109.06	100.00

	2005-06	7931000	7931000	0	7931000	7047354	0	7047354	88.86	0.00	88.86	88.86	100.00
	2006-07	8260000	8260000	0	8260000	7754858	0	7754858	93.88	0.00	93.88	93.88	100.00
	2007-08	9359000	400000	8959000	9359000	148445	8832047	8980492	37.11	98.58	95.96	95.96	100.00
	2008-09	8806000	405000	8401000	8806000	2491264	9623029	12114293	615.13	114.55	137.57	137.57	100.00
		46836000	29476000	17360000	46836000	31366865	18455076	49821941	106.41	106.31	106.38	106.38	100.00
Department of		Link Doc Allocation	Amount received			Total Expenditure			Total Expenditure %			Total Exp as % of link doc	Amount Recd as % of link doc
	Year		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
Health	2003-04	55507000	3173000	52334000	55507000	5217540	52517325	57734865	164.44	100.35	104.01	104.01	100.00
	2004-05	59978000	6789000	53189000	59978000	6038490	57218207	63256697	88.95	107.58	105.47	105.47	100.00
	2005-06	77449000	13038000	64011000	77049000	9636782	62684215	72320997	73.91	97.93	93.86	93.38	99.48
	2006-07	69893000	18815000	51078000	69893000	13162386	56081769	69244155	69.96	109.80	99.07	99.07	100.00
	2007-08	85234000	19632000	65002000	84634000	11681145	69463744	81144889	59.50	106.86	95.88	95.20	99.30
	2008-09	116600000	37234000	96990000	134224000	12275381	77467866	89743247	32.97	79.87	66.86	76.97	115.11
		464661000	98681000	382604000	481285000	58011724	375433126	433444850	81.62	100.40	94.19	93.28	103.58
Minor irrig	2003-04	2517000	0	2517000	2517000	0	3923680	3923680	0.00	155.89	155.89	155.89	100.00
	2004-05	4886000	0	4886000	4886000	5187094	5089961	10277055	0.00	104.17	210.34	210.34	100.00
	2005-06	5172000	0	5172000	5172000	0	6505819	6505819	0.00	125.79	125.79	125.79	100.00
	2006-07	5252000	0	5252000	5252000	0	5670069	5670069	0.00	107.96	107.96	107.96	100.00
	2007-08	5985000	0	5985000	5985000	0	3392243	3392243	0.00	56.68	56.68	56.68	100.00
	2008-09	7201000	0	7201000	7201000	0	6516238	6516238	0.00	90.49	90.49	90.49	100.00
		31013000	0	31013000	31013000	5187094	31098010	36285104	0.00	106.83	124.52	117.00	100.00
Pri-Edn	2003-04	4469000	184000	4285000	4469000	1512228	401121293	402633521	821.86	9361.06	9009.48	9009.48	100.00
	2004-05	5775000	0	5775000	5775000	22635000	462746738	485381738	0.00	8012.93	8404.88	8404.88	100.00
	2005-06	7183000	7183000	0	7183000	61023	5804422	5865445	0.85	0.00	81.66	81.66	100.00
	2006-07	6694000	0	6694000	6694000	0	6858832	6858832	0.00	102.46	102.46	102.46	100.00
	2007-08	8531000	0	8531000	8531000	0	7374682	7374682	0.00	86.45	86.45	86.45	100.00
	2008-09	11786000	0	11786000	11786000	102249023	10403418	112652441	0.00	88.27	955.82	955.82	100.00
		44438000	7367000	37071000	44438000	126457274	894309385	1020766659	0.00	2941.86	3106.79	2297.06	100.00
Public works	2003-04	23872000	0	23773000	23773000	0	24079007	24079007	0.00	101.29	101.29	100.87	99.59
	2004-05	25022000	0	25022000	25022000	0	24125833	24125833	0.00	96.42	96.42	96.42	100.00
	2005-06	23605000	0	23605000	23605000	0	25392475	25392475	0.00	107.57	107.57	107.57	100.00
	2006-07	28858000	0	28858000	28858000	0	26434235	26434235	0.00	91.60	91.60	91.60	100.00
	2007-08	31434000	0	31434000	31434000	0	29823151	29823151	0.00	94.88	94.88	94.88	100.00
	2008-09	36482000	0	36482000	36482000	0	33934482	33934482	0.00	93.02	93.02	93.02	100.00
		169273000		169174000	169174000	0	163789183	163789183	0.00	96.82	96.82	96.76	99.94

Department		Link Doc Allocation	Amount received			Total Expenditure			Total Expenditure %			Total Exp as % of link doc	Amount Recd as % of link doc
	Year		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
Sec Edn	2003-04	155898000	428000	155770000	156198000	6123998	209069921	215193919	1430.84	134.22	137.77	138.04	100.19
	2004-05	159954000	654000	159300000	159954000	10690716	288538279	299228995	1634.67	181.13	187.07	187.07	100.00
	2005-06	235487000	6956000	228531000	235487000	7091661	188261524	195353185	101.95	82.38	82.96	82.96	100.00
	2006-07	238206000	10101000	228105000	238206000	9749459	198573989	208323448	96.52	87.05	87.46	87.46	100.00
	2007-08	300967000	22541000	278426000	300967000	22754128	263280228	286034356	100.95	94.56	95.04	95.04	100.00
	2008-09	410246000	10893000	399353000	410246000	6794651	304761156	311555807	62.38	76.31	75.94	75.94	100.00
		1500758000	51573000	1449485000	1501058000	63204613	1452485097	1515689710	122.55	100.21	100.97	100.99	100.02
Soc Wel	2003-04	5786000	3515000	2271000	5786000	35943444	1858128	37801572	1022.57	81.82	653.33	653.33	100.00
	2004-05	9384000	7153000	2231000	9384000	34174287	2136150	36310437	477.76	95.75	386.94	386.94	100.00
	2005-06	10802000	9631000	1171000	10802000	12055293	1413869	13469162	125.17	120.74	124.69	124.69	100.00
	2006-07	18117000	15487000	2630000	18117000	11688294	2398952	14087246	75.47	91.21	77.76	77.76	100.00
	2007-08	19090000	15986000	3104000	19090000	16184477	2619057	18803534	101.24	84.38	98.50	98.50	100.00
	2008-09	27281000	21549000	5732000	27281000	19130053	2661035	21791088	88.77	46.42	79.88	79.88	100.00
		90460000	73321000	17139000	90460000	129175848	13087191	142263039	176.18	76.36	157.27	157.27	100.00
Soil &water	2003-04	4036000	0	4036000	4036000	54410679	6619846	61030525	0.00	164.02	1512.15	1512.15	100.00
	2004-05	11521000	3740000	7781000	11521000	126715128	6598874	133314002	3388.11	84.81	1157.14	1157.14	100.00
	2005-06	7447000	0	7447000	7447000	56430775	7514793	63945568	0.00	100.91	858.68	858.68	100.00
	2006-07	7769000	0	7769000	7769000	61319718	6530409	67850127	0.00	84.06	873.34	873.34	100.00
	2007-08	18205000	0	18205000	18205000	1161	17220181	17221342	0.00	94.59	94.60	94.60	100.00
	2008-09	21872000	0	21872000	21872000	0	17330875	17330875	0.00	79.24	79.24	79.24	100.00
		70850000	3740000	67110000	70850000	298877461	61814978	360692439	7991.38	92.11	509.09	509.09	100.00

Table 3: Category-wise distribution underutilization and over utilization of funds across various departments in Dharwad (2003-04 to 2008-09)*

		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		Total
Ani Hus	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04									1		1				1	1			3	1	4
	2004-05								1								1			1	2	3
	2005-06																			0	0	0
	2006-07			1																1	0	1
	2007-08			2			1													2	1	3
	2008-09			2			1													2	1	3
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04		1														1			0	2	2
	2004-05																	2	1	2	1	3
	2005-06		1			1														1	1	2
	2006-07	1	1																	1	1	2
	2007-08																			0	0	0
	2008-09																			0	0	0
																				13	10	23
Co-Opn		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06							1												1	0	1
	2006-07									2										2	0	2
	2007-08	1						1												2	0	2
	2008-09							1										1		2	0	2
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0

	2004-05																		0	0	0	
	2005-06																	1	1	0	1	
	2006-07																		0	0	0	
	2007-08																		0	0	0	
	2008-09																		0	0	0	
Crop Hus		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	1		1										1		1	1			4	1	5
	2004-05			1		1				1				1				1		5	0	5
	2005-06			1												1	1			2	1	3
	2006-07					2		4							1			2		8	1	9
	2007-08	3					1	2				1		1				1		8	1	9
	2008-09			2		1		1							1	1		1		6	1	7
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04														1			3	2	3	3	6
	2004-05														1					0	1	1
	2005-06	1												1						2	0	2
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09			1		1														2	0	2
																				40	9	49
Fisheries		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	Under	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1							1				1		1		3	1	4
	2004-05						1													0	1	1
	2005-06															1				1	0	1
	2006-07							1	1	1						1				3	1	4
	2007-08	1		1		2	1													4	1	5
	2008-09	1		1				1		1										4	0	4
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	Over	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	

	2003-04																			0	0	0	
	2004-05																	1		1	0	1	
	2005-06															1	1		1	0	2	1	3
	2006-07																				0	0	0
	2007-08																				0	0	0
	2008-09																				0	0	0
																					18	5	23
Forestry		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total			
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP		
	2003-04																				0	0	0
	2004-05																				0	0	0
	2005-06							1													1	0	1
	2006-07	1				1															2	0	2
	2007-08				1											1					1	1	2
	2008-09			1																	1	0	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total			
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP		
	2003-04					1															1	0	1
	2004-05			1																	1	0	1
	2005-06																				0	0	0
	2006-07																				0	0	0
	2007-08																				0	0	0
	2008-09						1											1			1	1	2
																					8	2	10
Health		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total			
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP		
	2003-04				3		2			1	1				1	2					3	7	10
	2004-05	2			3													3	1		5	4	9
	2005-06			1	1			1			1	1	1					4			7	3	10
	2006-07	2		2	1			1	2		1			1		2					8	4	12
	2007-08			2	1			2	2	2						1	1				7	4	11
	2008-09			1			1		2	1	2	1		1		2		1			7	5	12

	OVER	0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
		P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1									1	1			1		2	2	4
	2004-05										1					2		2		4	1	5
	2005-06	1	1		1				1	1						1		1		4	3	7
	2006-07			1													2			1	2	3
	2007-08		1																1	0	2	2
	2008-09										1									0	1	1
																				48	38	86
M irrig		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																		1	0	1	1
	2004-05																		2	0	2	2
	2005-06						1												1	0	2	2
	2006-07				2															0	2	2
	2007-08				3												1			0	4	4
	2008-09				1				1		1								1	0	4	4
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1														2	0	3	3
	2004-05				1		1												1	0	3	3
	2005-06														1		1			0	2	2
	2006-07						2													0	2	2
	2007-08																			0	0	0
	2008-09																			0	0	0
																				0	25	25
Pri Edn		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04															1				1	0	1
	2004-05																			0	0	0
	2005-06	1																		1	0	1

	2006-07																			0	0	0
	2007-08								1											0	1	1
	2008-09								1											0	1	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04						1											3	6	3	7	10
	2004-05												1					4	4	4	5	9
	2005-06																	1	1	1	1	2
	2006-07		1																	0	1	1
	2007-08																			0	0	0
	2008-09																			0	0	0
																				10	16	26
Public works		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05				1															0	1	1
	2005-06																			0	0	0
	2006-07						1													0	1	1
	2007-08						1													0	1	1
	2008-09				1															0	1	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04		1																	0	1	1
	2004-05																			0	0	0
	2005-06				1															0	1	1
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				0	6	6
Sec Edn		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	

	2003-04		1														1			0	2	2	
	2004-05	1	2																	1	2	3	
	2005-06		1						1		1			1						1	3	4	
	2006-07			1			1	1	1								1			2	3	5	
	2007-08			1				1	1											2	1	3	
	2008-09										1					1	1		1	1	3	4	
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total			
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP		
	2003-04				1											1	2		3	1	4	4	8
	2004-05										1	1					1		1	2	2	4	6
	2005-06			1													1				1	1	2
	2006-07				1	1															1	1	2
	2007-08																		1	2	1	2	3
	2008-09		1	1																	1	1	2
																					17	27	44
Soc Welf		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total			
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP		
	2003-04								1		1									0	2	2	
	2004-05								1											0	1	1	
	2005-06	1						1									1			2	1	3	
	2006-07			1						1			1			1				3	1	4	
	2007-08			2			1				1									2	2	4	
	2008-09	1		1				1	1										2	3	3	6	
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total			
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP		
	2003-04															1				1	0	1	
	2004-05		1													1		1		2	1	3	
	2005-06													1			1	1		2	1	3	
	2006-07		1																	0	1	1	
	2007-08	1																		1	0	1	
	2008-09																			0	0	0	
																				16	13	29	

Soil & water		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05								1											0	1	1
	2005-06		1																	0	1	1
	2006-07								1											0	1	1
	2007-08						1													0	1	1
	2008-09										1									0	1	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04														1			1		1	1	2
	2004-05															1				1	0	1
	2005-06																	1		1	0	1
	2006-07																	1		1	0	1
	2007-08																	1		1	0	1
	2008-09																			0	0	0
																				5	6	11
All Depts		0 %		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	1	1	1	4	0	2	0	1	2	2	2	0	1	1	6	3	1	1	14	15	29
	2004-05	3	2	1	4	1	1	0	3	1	0	0	0	1	0	0	1	5	3	12	14	26
	2005-06	2	2	2	1	0	1	4	1	0	2	1	1	1	0	2	2	4	1	16	11	27
	2006-07	3	0	5	3	3	2	7	5	4	1	0	1	1	1	4	1	2	0	29	14	43
	2007-08	5	0	8	5	2	6	6	4	2	1	1	0	1	0	2	2	1	0	28	18	46
	2008-09	2	0	8	2	1	2	4	5	2	5	1	0	1	1	4	1	3	4	26	20	46
		16	5	25	19	7	14	21	19	11	11	5	2	6	3	18	10	16	9	125	92	
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	0	2	0	3	1	1	0	0	0	0	0	0	1	3	2	3	11	11	15	23	38
	2004-05	0	1	1	1	0	1	0	0	0	2	1	1	0	1	4	1	11	8	17	16	33
	2005-06	2	2	1	2	1	0	0	1	1	0	0	0	2	1	2	4	6	1	15	11	26

	2006-07	1	3	1	1	1	2	0	0	0	0	0	0	0	0	0	2	1	0	4	8	12
	2007-08	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	3	3	4	7
	2008-09	0	1	2	0	1	1	0	0	0	1	0	0	0	0	0	0	1	0	4	3	7
																				183	157	340

** Numbers indicate the number of account heads expenditure.*

P= Plan

NP= Nonplan

UNDER: = under utilization %

OVER: utilization above the money received.

Table 4: Category-wise distribution underutilization and over utilization of funds across various departments in Chitradurga (2003-04 to2008-09)*

Department		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
Animal husbandry	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1	1	1		1			1								2	3	5
	2004-05			1			1													1	1	2
	2005-06			1	1			1												2	1	3
	2006-07	1						1			1									2	1	3
	2007-08			2			1													2	1	3
	2008-09			1		1	1													2	1	3
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	1			1															1	1	2
	2004-05					1														1	0	1
	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				13	9	22
Department		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		

	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04											1								1	0	1
	2004-05			1																1	0	1
	2005-06														1					1	0	1
	2006-07	2																		2	0	2
	2007-08	1																1		2	0	2
	2008-09	1												1						2	0	2
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				9	0	9
Crop Husbandry		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	1			1					1										2	1	3
	2004-05		2																	0	2	2
	2005-06			3			1													3	1	4
	2006-07			1		1														2	0	2
	2007-08				1		1								1					0	3	3
	2008-09		1	5		2				1	1									8	2	10
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05		1																	0	1	1
	2005-06																			0	0	0
	2006-07		1																	0	1	1
	2007-08																			0	0	0
	2008-09																			0	0	0

																				15	11	26
Fisheries		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	1		1						1						1				4	0	4
	2004-05			1			1													1	1	2
	2005-06	1		2								1								4	0	4
	2006-07			3														1		4	0	4
	2007-08	1		3			1													4	1	5
	2008-09	1		2	1													1		4	1	5
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1															0	1	1
	2004-05	1														1				2	0	2
	2005-06								1											0	1	1
	2006-07				1															0	1	1
	2007-08																			0	0	0
	2008-09																			0	0	0
																				23	6	29
Forestry		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04			1																1	0	1
	2004-05	1																		1	0	1
	2005-06			1																1	0	1
	2006-07	1																		1	0	1
	2007-08			1																1	0	1
	2008-09			1			1													1	1	2
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04					1														1	0	1
	2004-05					1														1	0	1
	2005-06					1														1	0	1
	2006-07			1																1	0	1

	2007-08				1														0	1	1
	2008-09																		0	0	0
																			10	2	12
Health		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04	1			3					2	1			1		1		1		6	4
	2004-05	1				2			1						1					4	1
	2005-06			3	2				1	2		1					1			6	4
	2006-07			2		1	3	2	1											5	4
	2007-08			1			1		3	1	1					1				3	5
	2008-09	2		2				1	2		2	1	1							6	5
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04		1			1												1		1	2
	2004-05		2			1	1									1	1			2	4
	2005-06				1		1													0	2
	2006-07																			0	0
	2007-08																			0	0
	2008-09															1				0	1
																				33	32
																				65	
Horticulture		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04			1																1	0
	2004-05					1														1	0
	2005-06			1																1	0
	2006-07			1																1	0
	2007-08			1																1	0
	2008-09							1												1	0
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04		1																	0	1
	2004-05																			0	0

	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				6	1	7
ITI		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08										1									0	1	1
	2008-09								1											0	1	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06																			0	0	0
	2006-07																	1		1	0	1
	2007-08																			0	0	0
	2008-09																			0	0	0
																				1	2	3
Minor Irrigation		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	3																	1	3	1	4
	2004-05				1														1	0	2	2
	2005-06				1														2	0	3	3
	2006-07				1		1												1	0	3	3
	2007-08		1		2				1											0	4	4
	2008-09				1				2										1	0	4	4
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	

	2003-04	1	1																1	1	2
	2004-05										1								1	0	1
	2005-06				1														0	1	1
	2006-07																		0	0	0
	2007-08																		0	0	0
	2008-09																		0	0	0
																			5	19	24
Primary Education		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04											1				1				2	0
	2004-05				1															0	1
	2005-06				1															0	1
	2006-07																			0	0
	2007-08								1											0	1
	2008-09								2							1				1	2
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04		1																	0	1
	2004-05																			0	0
	2005-06																			0	0
	2006-07		1																	0	1
	2007-08																			0	0
	2008-09																			0	0
																				3	7
Public works		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04				1		1		1											0	3
	2004-05																1			0	1
	2005-06										1									0	1
	2006-07		1		1															0	2
	2007-08				2				1											0	3
	2008-09		1		1		1													0	3

		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05		1													1				0	2	2
	2005-06		1													1				0	2	2
	2006-07		1																	0	1	1
	2007-08																			0	0	0
	2008-09																			0	0	0
																				0	18	18
Secondary Education		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	1		1	1							1				2	1			5	2	7
	2004-05			1	2												1			1	3	4
	2005-06				2	1											1			1	3	4
	2006-07			1	1				1								1			1	3	4
	2007-08						2										1			0	3	3
	2008-09	1			1				2								1	1		2	4	6
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04		1														1			0	2	2
	2004-05				1		1							1						1	2	3
	2005-06		1																	0	1	1
	2006-07		1																	0	1	1
	2007-08																			0	0	0
	2008-09																			0	0	0
																				11	24	35
Social Welfare		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04			1			2													1	2	3
	2004-05										2									0	2	2
	2005-06		1		1			1												1	2	3
	2006-07	1		1		1			1								1			3	2	5

	2007-08	1			1									1					1	2	3
	2008-09																		0	0	0
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04			1															1	0	1
	2004-05			1		1	1												2	1	3
	2005-06							1											1	0	1
	2006-07																		0	0	0
	2007-08							1											1	0	1
	2008-09																2	2	2	2	4
																			13	13	26
Urban water supply		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04				1														0	1	1
	2004-05							1	1										1	1	2
	2005-06																1		1	0	1
	2006-07													1					0	1	1
	2007-08								1										0	1	1
	2008-09																	1	0	1	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04											1							0	1	1
	2004-05																		0	0	0
	2005-06															1			0	1	1
	2006-07															1			0	1	1
	2007-08																		0	0	0
	2008-09																		0	0	0
																			2	8	10
Grand Total		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04	7	0	5	8	1	4	0	2	4	1	4	0	1	0	5	1	1	1	28	17
	2004-05	2	2	4	4	3	2	1	2	0	2	0	0	0	0	1	2	0	1	11	15

	2005-06	1	1	11	8	1	1	2	1	2	1	2	0	0	0	1	2	1	2	21	16	37
	2006-07	5	1	9	3	3	4	3	3	0	1	0	0	0	1	0	2	1	1	21	16	37
	2007-08	3	1	8	6	0	6	0	7	1	2	0	0	0	2	1	1	1	0	14	25	39
	2008-09	5	2	11	4	3	3	2	9	1	3	1	1	1	0	1	1	2	2	27	25	52
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	2	5	1	2	2	0	0	0	0	0	0	1	0	0	0	1	0	1	5	10	15
	2004-05	1	4	1	1	4	3	0	0	0	0	1	0	1	0	1	2	1	0	10	10	20
	2005-06	0	2	0	2	1	1	1	1	0	0	0	0	0	0	0	2	0	0	2	8	10
	2006-07	0	4	1	1	0	0	0	0	0	0	0	0	0	0	0	1	1	0	2	6	8
	2007-08	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	1	2
	2008-09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	2	2	3	5
																				144	152	296

Table 5: Category-wise distribution underutilization and over utilization of funds across various departments in Mandya (2003-04 to 2008-09)*

Department	Year	0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
Animal husbandry	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1			1						1						2	1	3
	2004-05			1	1															1	1	2
	2005-06	1																		1	0	1
	2006-07								1	1										1	1	2
	2007-08			1		1	1													2	1	3
	2008-09			2					1											2	1	3
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1		2													0	3	3
	2004-05																			0	0	0
	2005-06	1			1															1	1	2
	2006-07	1																		1	0	1

	2007-08																			0	0	0
	2008-09																			0	0	0
																				11	9	20
Co-operation		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04															1				1	0	1
	2004-05													1						1	0	1
	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08							1												1	0	1
	2008-09	1																		1	0	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06																	1		1	0	1
	2006-07																	1		1	0	1
	2007-08																			0	0	0
	2008-09																			0	0	0
																				6	0	6
Crop Husbandry		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1							3		1		2				6	1	7
	2004-05	1		2		1		2		1	1									7	1	8
	2005-06			8		1														9	0	9
	2006-07	2		4				1		1										8	0	8
	2007-08	1		2		3	1	1	1			1								8	2	10
	2008-09	1		2			1	2					1	1						6	2	8
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		

	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04						1												1	0	2	2
	2004-05		1																	0	1	1
	2005-06				1		1													0	2	2
	2006-07	1			1						1									1	2	3
	2007-08																			0	0	0
	2008-09																			1	0	1
																						59
Fisheries		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				1					2						1				3	1	4
	2004-05							1	1	1						1		1		4	1	5
	2005-06	1				1		1		1								1		5	0	5
	2006-07	1						1		1			1					1		4	1	5
	2007-08			2			1	2										2		6	1	7
	2008-09	1		1				2	2											4	2	6
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06								1											0	1	1
	2006-07							1												1	0	1
	2007-08																			0	0	0
	2008-09			1																1	0	1
																						35
Forestry		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	1						1				1								3	0	3
	2004-05																			0	0	0

	2005-06							1												1	0	1
	2006-07							1		1										2	0	2
	2007-08			1	1															1	1	2
	2008-09	1			1															1	1	2
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05							1												1	0	1
	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				9	2	11
Health		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				4	1	1	1						3			1		1	5	7	12
	2004-05				1			1		2		1	1							4	2	6
	2005-06			2	1	1	1			1						1				5	2	7
	2006-07			1						1		1	1	1						4	1	5
	2007-08			2	1	1		1	1	1	1	1	1					1		7	4	11
	2008-09			1	1	2	1	1	2	1	2					1		1		7	6	13
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04			1					1		1					1				2	2	4
	2004-05		1	1	2		2	1		1										3	5	8
	2005-06	1	2			2			1				1							3	4	7
	2006-07	1	5	1			1									2		1		5	6	11
	2007-08																	1	3	1	3	4
	2008-09						1													0	1	1

																				46	43	89
Horticulture		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04													1						1	0	1
	2004-05																			0	0	0
	2005-06															1				1	0	1
	2006-07					1														1	0	1
	2007-08			1																1	0	1
	2008-09													1						1	0	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05			1																1	0	1
	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				6	0	6
ITI		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04					1														1	0	1
	2004-05																			0	0	0
	2005-06																	1		1	0	1
	2006-07			1																1	0	1
	2007-08									1										0	1	1
	2008-09											1								1	0	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0

	2004-05																			0	0	0
	2005-06																			0	0	0
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				4	1	5
Minor Irrigation		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04							1		1						1		1		0	4	4
	2004-05				2							1						1		0	4	4
	2005-06				2							1								0	3	3
	2006-07				1													1		0	2	2
	2007-08				2			1												0	3	3
	2008-09				1			1										2		0	4	4
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06		1																	0	1	1
	2006-07						2													0	2	2
	2007-08						1													0	1	1
	2008-09																			0	0	0
																				0	24	24
Primary Education		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04			1								1	1					4	1	6	2	8
	2004-05				1					1			1		1		1	1	3	3	6	
	2005-06											1	1		1				2	1	3	
	2006-07	1													1				2	0	2	

	2007-08				1		1	1											1	2	3
	2008-09	1		1															2	0	2
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04		1	1											1				2	1	3
	2004-05													1					1	0	1
	2005-06																		0	0	0
	2006-07		1																0	1	1
	2007-08		1			1													1	1	2
	2008-09																		0	0	0
																			20	11	31
Public works		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04																		0	0	0
	2004-05																		0	0	0
	2005-06																		0	0	0
	2006-07																		0	0	0
	2007-08				3													1	0	4	4
	2008-09																		0	0	0
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04																		0	0	0
	2004-05																		0	0	0
	2005-06																		0	0	0
	2006-07																		0	0	0
	2007-08																		0	0	0
	2008-09																		0	0	0
																			0	4	4
Standard Y Education		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	

	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04									1		2	1					1		4	1	5
	2004-05							1		1			1							2	1	3
	2005-06							1		1				1		1			1	4	1	5
	2006-07					1	1	1			1									2	2	4
	2007-08			3		1														4	0	4
	2008-09	1		1		1	2	1										1		5	2	7
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04				2											1				1	2	3
	2004-05	1			1							1								2	1	3
	2005-06							1												1	0	1
	2006-07	3																		3	0	3
	2007-08																			0	0	0
	2008-09																			0	0	0
																				28	10	38
Social Welfare		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04													1	1					1	1	2
	2004-05														1					1	0	1
	2005-06		1	1			1								1					2	2	4
	2006-07		1					2												2	1	3
	2007-08			1					1											1	1	2
	2008-09			1		1			1				1							2	2	4
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04						1													0	1	1
	2004-05				1				1											0	2	2
	2005-06																			0	0	0

	2006-07				1														0	1	1
	2007-08				1			1											1	1	2
	2008-09																		0	0	0
																			10	12	22
Soil and water conservation		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04																		0	0	0
	2004-05																		0	0	0
	2005-06																		0	0	0
	2006-07											1							1	0	1
	2007-08																		0	0	0
	2008-09								1										0	1	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04		1			1													1	1	2
	2004-05				1	1													1	1	2
	2005-06	1			1														1	1	2
	2006-07		1																0	1	1
	2007-08		1																0	1	1
	2008-09																		0	0	0
																			4	6	10
Urban Water supply		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total	
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
	2003-04	1																	1	0	1
	2004-05																		0	0	0
	2005-06								1										0	1	1
	2006-07							1											1	0	1
	2007-08														1				1	0	1
	2008-09														1				1	0	1
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total	
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP

	2003-04																			0	0	0
	2004-05																			0	0	0
	2005-06	1																		1	0	1
	2006-07																			0	0	0
	2007-08																			0	0	0
	2008-09																			0	0	0
																				5	1	6
All Departments		0		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		100		Total		
	UNDER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	2	0	1	7	2	1	3	1	3	1	6	2	7	1	5	2	5	3	34	18	52
	2004-05	1	0	3	5	1	0	5	1	5	2	1	3	2	0	3	0	2	2	23	13	36
	2005-06	2	1	11	3	3	2	3	1	3	0	0	2	2	0	5	0	2	1	31	10	41
	2006-07	4	1	6	1	2	1	7	1	5	1	2	2	1	0	1	0	1	1	29	8	37
	2007-08	1	0	13	8	6	4	6	4	1	2	2	1	0	0	1	0	3	1	33	20	53
	2008-09	6	0	9	3	4	4	6	8	1	2	1	2	2	0	2	0	2	2	33	21	54
		0-5		5-10%		10-20%		20-30%		30-40%		40-50%		>50		>100%		not allocated		Total		
	OVER	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP	
	2003-04	0	2	2	3	1	4	0	1	0	1	0	0	0	0	3	0	0	1	6	12	18
	2004-05	1	2	2	5	1	2	2	1	1	0	1	0	1	0	0	0	0	0	9	10	19
	2005-06	4	3	0	3	2	1	1	2	0	0	0	1	0	0	0	0	1	0	8	10	18
	2006-07	6	7	1	2	0	3	1	0	0	1	0	0	0	0	2	0	2	0	12	13	25
	2007-08	0	2	0	1	1	1	1	0	0	0	0	0	0	0	0	0	1	3	3	7	10
	2008-09	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	1	2	3
	Total																			222	144	366

Table 6: Total receipts and expenditure of the Zilla panchayats for the year 2003-04 to 2008-09 (Rs. In lakhs)

District	Year	Link Doc	Amount received			Total Expenditure			Total Expenditure %		
			Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Shimoga	2003-04		12245.11	5801.28	18046.39	11816.17	4614.38	16430.56	96.50	79.54	91.05
	2004-05		14891.58	5538.66	20430.24	14497.71	6176.07	20673.77	97.36	111.51	101.19
	2005-06		5220.63	5742.07	10880.89	4906.26	4519.29	9425.54	93.98	78.70	86.62
	2006-07		5438.76	6403.10	11841.86	5091.96	6228.52	11320.48	93.62	97.27	95.60
	2007-08		7147.12	7071.26	14218.38	6760.64	6835.82	13596.46	94.59	96.67	95.63
	2008-09		8843.05	9616.05	18459.10	9106.61	8397.83	17504.44	102.98	87.33	94.83
	Total		53786.25	40172.41	93876.86	52179.34	36771.92	88951.26	97.01	91.54	94.75
Dharwad	2003-04	3108.13	244.01	2866.13	3110.14	2397.64	7599.24	8742.85	982.60	265.14	281.11
	2004-05	3564.03	341.28	3195.94	3537.22	2260.22	9060.83	11316.25	662.28	283.51	319.92
	2005-06	4405.48	657.29	3713.47	4370.76	1137.93	3277.28	4415.21	173.12	88.25	101.02
	2006-07	4599.38	846.63	3752.75	4599.38	1307.12	3387.49	4694.61	154.39	90.27	102.07
	2007-08	5647.07	939.47	4701.60	5641.07	820.51	4489.52	5310.04	87.34	95.49	94.13
	2008-09	7334.72	1054.25	6456.74	7510.99	1674.68	5097.52	6772.21	158.85	78.95	90.16
	Total	28658.81	4082.93	24686.63	28769.56	9598.11	32911.88	41251.16	235.08	133.32	143.38
Mandya	2003-04	4443.19	1270.62	2888.16	4158.78	977.28	3167.72	4145.00	76.91	109.68	99.67
	2004-05	4926.64	1493.26	3065.61	4558.87	815.75	3331.87	4147.62	54.63	108.69	90.98
	2005-06	4986.03	2508.70	2159.42	4668.12	1396.64	2369.93	3766.57	55.67	109.75	80.69
	2006-07	6253.76	2229.84	3432.64	5662.48	1541.77	3421.12	4962.89	69.14	99.66	87.65
	2007-08	8406.55	3436.11	4785.86	8221.97	3222.92	3979.63	7202.56	93.80	83.15	87.60
	2008-09	7670.34	2846.09	4326.06	7172.15	2529.35	4268.83	6798.18	88.87	98.68	94.79
	Total	36686.50	13784.62	20657.75	34442.37	10483.72	20539.10	31022.82	76.05	99.43	90.07
Chitradurga	2003-04	4265.28	516.27	3657.60	4173.87	426.00	3824.43	4250.42	82.51	104.56	101.83
	2004-05	3697.06	386.22	3223.31	3609.53	314.08	3462.18	3776.26	81.32	107.41	104.62
	2005-06	4619.12	705.55	3853.62	4559.17	614.37	3868.89	4483.25	87.08	100.40	98.33
	2006-07	5786.69	1296.16	4209.98	5506.14	1269.25	3826.20	5095.45	97.92	90.88	92.54
	2007-08	6569.62	573.45	5912.65	6486.10	429.17	5398.09	5827.26	74.84	91.30	89.84
	2008-09	8402.10	836.64	7170.16	8006.80	922.80	6401.21	7324.01	110.30	89.28	91.47
	Total	33339.87	4314.29	28027.33	32341.62	3975.67	26780.99	30756.66	92.15	95.55	95.10

Table 7: Total receipts and expenditure of Zilla panchayats for the years 2003-04 to 2008-09

Districts	Link Doc	Amount received			Total Expenditure			Total Expenditure %			HDI 2001	Area	Population	Density
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total				
Shimoga		53786.25	40172.41	93876.86	52179.34	36771.92	88951.26	97.01	91.54	94.75	5	8465	1642545	194
Dharwad	28658.81	4082.93	24686.63	28769.56	9598.11	32911.88	41251.16	235.08	133.32	143.38	10	4230	1604253	379
Mandya	36686.50	13784.62	20657.75	34442.37	10483.72	20539.10	31022.82	76.05	99.43	90.07	19	4961	1763705	356
Chitradurga	33339.87	4314.29	28027.33	32341.62	3975.67	26780.99	30756.66	92.15	95.55	95.10	16	8388	1517896	181
Correlation coeff with exp											-0.89	0.48	0.04	-0.43

Few observations:

- Soil and water conservation head is blank in Chitradurga District! Does it mean no expenditure under that head or not given?
- The expenditure for Shimoga district is highest compared to other 3 while the ranking (HDI) it is the best of the four.
- The simple correlation between population and the expenditure is 0.04 indicating that population is probably not a criterion for Zilla Panchayat receipts and expenditure.

