

CHAPTER - 6

Decentralized Planning in Himachal Pradesh

The concept of decentralized planning is as old as the Gandhian economic thought. The development of village economy through active participation of people for their own development and the ideology of self sustaining village economics is, in fact, ingrained into Indian philosophy from vedic times. The most important aim of planning is to identify a process of development which will raise living standards and open out to the people new opportunities for a richer and more prosperous life. The basic objectives of planning can be grouped under four heads, growth, modernization, self reliance and social justice. In one form or another but possibly with varying emphasis, these objectives reflect the views of all sections of the population and represent a national consensus on the aim of planning. The concept of decentralized planning was accepted in principle since the beginning of planning era in the country but the first step towards the decentralization was taken during the 1st Five Year Plan. In Himachal Pradesh conscious efforts for the formulation of the District Plans, were made during the Fifth Five Year Plan so as to tackle the problems of poverty, unemployment, inequality, infrastructure backwardness more directly and effectively. The Decentralized Planning process was initiated in a phased manner and the steps taken in this direction to ensure adequate involvement of people and their representatives in the decision making process are briefly discussed in the succeeding paragraphs.

1. Organizational Structure

District Level

6.1.1. The Planning Department at the district level is headed by the Chief Planning Officer. The ADC/ADM of the district has been designated as ex-officio Chief Planning Officer. He is assisted by a District Planning Cell comprising of a District Planning Officer, a Credit Planning Officer, Assistant Research Officer and the supporting staff. The district planning set-up was created in the mid-eighties and since then it has been continued as such. Two tribal districts viz Kinnaur and Lahaul-Spiti and two blocks Pangi and Bharmour of Chamba district have been excluded from this structure, since these are governed by the Tribal Sub-Plan concept which is a decentralized effort in itself.

6.1.2. The District Planning Cells are engaged in the preparation of shelf of schemes at the decentralized level, to monitor the process of the implementation of all the plan schemes being run by various departments soon after the approval of the budget. Besides, the Planning Cells also prepare the shelf of schemes under various decentralized planning programmes viz Sectoral Decentralized Planning, Vikas Mein Jan Sahyog , Vidhayak Keshetra Vikas Nidhi Yojna, Mukhya Mantri Gram Path Yojna and the Backward Area Sub-Plan. The District Planning Cells play a pivotal role in

reviewing the implementation of all these Decentralized Planning Programmes including Central Sector MPLAD Scheme by convening the meetings of District Planning, Development and 20-Point Review Committees. In these meetings, the pace of expenditure and level of development achieved through implementation of schemes are reviewed. Thereafter, the DCs and other Executing Agencies ensure taking up corrective measure from time to time. In addition to these activities, these units are engaged in the collection of data, desired by the State Govt. and District Administration concerned with developmental activities and for the evaluation of schemes.

2. Sectoral Decentralized Planning Programme(SDP) :-

6.2.1 This programme was introduced in Ten Non- Tribal Districts of the State during the year 1993-94. For the Tribal Districts the component of SDP are taken care of under the Tribal Sub-Plan (TSP). Under this programme, untied funds are allocated to the districts of non-tribal areas, on a formula of 60% on the basis of population and 40% on the basis of geographical area. The schemes of local importance and missing links in budget are identified by the local planners. The DC concerned is, required to get the works approved from the District Planning, Development and 20-Point Programme Review Committee.

6.2.1.1 Salient Features of this Programme:

1. Keeping in view the geographical conditions and local needs, DCs are authorized to sanction the schemes as per developmental needs of the public. Such schemes are sanctioned after seeking prior approval of the District-Level Planning, Development and 20-Point Programme Review Committee.
2. The earmarked funds are to be utilized during the respective financial year and unspent balances need to be surrendered well-in-time. Generally, there should be no occasion for surrender of resources since demand always outstrips the availability of resources.
3. Under SDP, funds can be utilized for the purchase of materials / equipments needed for the project and consumed in the process of implementation, but no store articles can be purchased.
4. No funds under SDP will be utilized as Grant-in-aid.
5. Under this programme, only those developmental works should be considered for execution whose estimates and designs are technically approved by the competent Technical Authority / Personnel of Govt./ Semi Govt./ Govt. undertakings within the delegated technical powers. The Technical Officer / Authority who can technically approve the estimates, will also be competent to assess the work and authorize disbursement of payments.

6. No departmental charges shall be levied under this programme.
7. The earmarked funds can also be utilized for completion of ongoing developmental schemes of the selected heads of development, having inadequate budgetary provision so as to ensure completion of the same towards speedy accrual of maximum benefits to the people.
8. Repairs/Renovation of Govt. owned public assets like Schools, Health Institutions, Veterinary Institutions, Water Supply, Irrigation Kuhls, Village Link Roads etc. will be a valid charge out of the allocation under Sectoral Decentralized Planning.
9. The DCs are competent to accord A/A & E/S under SDP subject to the availability of budgetary provisions under selected heads of development and fulfillment of other requirements.
10. Under SDP, neither recurring expenditure / liability can be created nor bunching of sanctions and phasing of work beyond one financial year is allowed. Also, revision of estimates and revision of sanctions are not allowed.
11. The developmental works to be executed under SDP should lead to a community benefit (consisting at least five families). No works benefiting individuals/single family can be taken up under this programme.
12. The work to be executed under SDP are required to be completed within the same financial year or within one year from the date of sanction. The phasing of work and financial sanction for more than one financial year is not permissible.
13. Under SDP the expenditure on following items is not permissible:-
 - (i) Purchase of vehicles of any kind,
 - (ii) Use of SDP funds for organizing fairs/expenditure on any work within the premise of temples,
 - (iii) Purchase of Photostat and Fax-machine etc.,
 - (iv) Purchase of Type-Writers,
 - (v) Purchase of Calculator etc.

6.2.2 The district-wise detail of funds released to 10 Non- Tribal Districts and actual expenditure incurred under Sectoral Decentralized Planning during 2007-08 and 2008-09 of the Eleventh Five Year Plan (2007-12) is given in the table below :-

Table-1

**District-wise Actual Expenditure 2007-08, 2008-09 and
Approved Outlay 2009-10**

(Rs. in lakh)

Sr. No.	Name of District	Actual Expenditure		Approved Out lay/ Anticipated Expenditure for 2009-10	
				Approved Out lay	Anticipated Expenditure
		2007-08	2008-09	2009-10	2009-10
1.	2.	3.	4.	5.	6.
1.	Bilaspur	161.28	176.39	186.26	186.26
2.	Chamba	246.96	270.08	285.17	285.17
3.	Hamirpur	191.68	309.65	221.43	221.43
4.	Kangra	788.56	803.10	795.26	795.26
5.	Kullu	330.88	361.90	382.18	382.18
6.	Mandi	456.72	499.54	527.54	527.54
7.	Shimla	442.00	483.45	510.54	510.54
8.	Sirmaur	255.28	279.19	294.80	294.80
9.	Solan	218.00	238.41	251.73	251.73
10.	Una	208.64	228.19	240.97	240.97
	Total	3300.00	3649.90	3695.88	3695.88

3. Vikas Mein Jan Sahyog (VMJS)

6.3.1 To elicit effective people's participation through decentralization planning, some funds were diverted from the Local District Planning allocation in the year 1991-92 to start a new programme "Gaon Bhi Apna, Kam Bhi Apna". In the year 1994 the programme was restructured and renamed as "Vikas Mein Jan Sahyog". Under this programme, an open offer was given to the public to come forward with a public share of 30% of the project cost and Govt. would provide the rest by sanctioning a developmental scheme benefiting the community. During the year 1994, it was provided under the programme that a developmental scheme would be sanctioned in the ratio of 70:30, (70% Govt. share & 30% public share) in rural areas and 50:50 in urban areas. The maximum limit for the sanction of a scheme by the Deputy Commissioner was kept at Rs. 70,000. In the year 1995, the guidelines of the programme were revised. Accordingly, the public share for the sanction of a particular scheme in rural areas was raised to 75% of the estimated cost of the project, thereby reducing the public share to 25%. The limit for the sanction of project was also raised to Rs. 1.00 lakh. Subsequently, in the year 1997 the limit for the scheme to be sanctioned by the Deputy Commissioner was raised to Rs. 3.00 lakh. In the year 1999, this limit was raised to Rs. 5.00 lakh and in the year 2006-07, this limit further raised to Rs. 10.00 lakh which is continued.

6.3.2 At present the limit for according administrative and expenditure sanctions to the schemes under Vikas Mein Jan Sahyog are as under:-

Sr.No.	Authorized Offices/Department	Limit for Financial Sanction (Rs. in lakh)
1.	Deputy Commissioner	10.00
2.	Adviser, Planning Department	20.00
3.	Secretary (Planning)	40.00
4.	Finance Department	40.00 and above.

6.3.3 At the State level, the VMJS funds are budgeted under Demand No. 15 and controlled by Adviser (Planning), Himachal Pradesh. The allocation of VMJS funds is done on the formula of 60% on the basis of population and 40% on geographical area. Other salient features are given below:

1. This programme is an integral part of Decentralised Planning Scheme.
2. In urban areas, cost sharing ratio between the Community and the Govt. is 50:50 except in the case of Govt. assets like school buildings, health and veterinary institutions, construction of drinking water supply schemes and sewerage schemes and installation of hand pumps where sharing pattern is in the ratio of 25:75 in between Community and the Govt.
3. In rural areas, cost sharing is in the ratio of 25:75 between Community and the Govt. However, in the case of tribal areas, panchayats declared as backward and areas predominantly inhabited by SCs, STs and OBCs cost sharing is in the ratio of 15:85 between Community and the Govt.
4. Any individual can also get a public asset constructed either as a purely philanthropic nature or to commemorate the memory of his/her ancestors by sharing 50 percent cost of the work.
5. The Community has an important role in selection of implementing agency for execution of works.
6. Works are required to be completed within one year from the date of sanction.
7. Works being constructed/executed under VMJS are subject to a close monitoring through local committees to be constituted by DCs.
8. Community and the Govt. are liable to contribute 10% funds additionally, subject to their proportionate share in construction cost of community works for the maintenance of assets which are to be maintained.

9. The projects/assets of the following nature can be sanctioned under this programme :

- i) Construction of buildings of Govt. educational institutions.
- ii) Construction of multipurpose community/public assets.
- iii) Construction of motorable roads and rope-ways.
- iv) Construction of irrigation schemes/drinking water schemes/ installation of hand-pumps.
- v) Construction of buildings of public health services.
- vi) Provision of important missing links; such as three phases transmission lines, transformers, X-Ray plants, Ambulances etc.
- vii) Setting up of Go-Sadan for stray animals.

6.3.4 The district-wise details of funds released to 10 Non Tribal Districts and actual expenditure incurred under Vikas Mein Jan Sahyog Programme during 2007-08 and 2008-09 and approved outlay for 2009-10 of the Eleventh Five Year Plan (2007-12) are given in the table below:-

Table-2
District-wise Actual Expenditure 2007-08, 2008-09 and
Approved Outlay 2009-10

(Rs. in lakh)

Sr. No.	Name of the District	Actual Expenditure		Approved Outlay/ Anticipated Expenditure for 2009-10	
				Approved Outlay	Anticipated Expenditure
		2007-08	2008-09	2009-10	2009-10
1.	2.	3.	4.	5.	6.
1.	Bilaspur	73.93	111.91	40.31	40.31
2.	Chamba	56.73	171.88	61.73	61.73
3.	Hamirpur	38.68	38.80	47.93	47.93
4.	Kangra	198.29	189.20	172.14	172.14
5.	Kullu	361.42	120.97	82.73	82.73
6.	Mandi	301.03	166.97	114.19	114.19
7.	Shimla	339.65	161.60	110.51	110.51
8.	Sirmaur	58.13	178.21	63.81	63.81
9.	Solan	175.27	79.69	54.49	54.49
10.	Una	89.67	103.50	52.16	52.16
	Total:-	1692.80	1322.73	800.00*	800.00

Note: * Under VMJS Programme, there is a total provision of Rs. 1600.00 lakh for the year 2009-10. The first installment of Rs. 800.00 lakh has been allocated.

4. Vidhayak Kshetra Vikas Nidhi Yojna (VKVNY):-

6.4.1 The State Government launched a new programme called “Vidhayak Kshetra Vikas Nidhi Yojna” in the year 1999-2000. This scheme was discontinued in the year 2001-02 due to some constraints but re-started in the year 2003-04. The main objectives of this scheme are as under:-

- (i) Funds are provided to DCs enabling MLAs to make recommendations for sanctioning of developmental schemes in their constituencies.
- (ii) As the schemes / works will be formulated / determined by the Hon’ble MLAs and they will also take keen interest in the implementation and monitoring of each scheme thereby resulting effective utilization of the limited financial resources.

6.4.2 The scheme/works of the following nature can be under-taken under this programme:-

- (a) Construction of buildings of Educational Institutions.
- (b) Construction of Ayurvedic Dispensaries, Veterinary Institutions & Health Sub-Centres etc.
- (c) Installation of Hand Pumps.
- (d) Construction of Motorable / Jeepable link roads in rural areas.
- (e) Construction of Community Bhawan in rural areas.
- (f) Providing of other important infrastructural facilities for the benefit of people at large such as X-Ray Plants, Ultra Sound machines and ECG machine etc.
- (g) Purchase of Ambulance for Health Institutions.
- (h) Construction of Foot Bridges in rural areas.
- (i) Construction of paths in rural areas for two wheelers.
- (j) Drinking Water Supply Schemes for left out villages.
- (k) Local Irrigation Schemes.
- (l) Construction of toilets in the Schools.
- (m) Construction of concrete based or black topped path.
- (n) Drinking water supply schemes to the left-out basties where there is a requirement of public taps by laying down additional pipes.

6.4.3 The scheme envisaged allocation of Rs.15 lakh per MLA during the year 1999-2000 which was further enhanced to Rs. 20 lakh in the year 2000-01, Rs. 24 lakh in 2003-04 and Rs. 25 lakh per MLA in the year 2004-05. This limit has further been enhanced to Rs. 30.00 lakh in the year 2008-09 with the recommendation of Hon’ble MLAs. The additional amount of Rs. 5.00 lakh will be spent on the works under the norms of Mukhya Mantri Gram Path Yojna.(MMGPY) .

6.4.4. It is ensured by the Deputy Commissioners that schemes, recommended by the concerned MLAs of the area are sanctioned within a month's time and funds utilized within one year of the sanction.

- I. Exceptions, when an ongoing work is not completed within one year and additionality is required, may be allowed by Deputy Commissioner on the recommendations of Hon'ble Member of Legislative Assembly (MLA) from the sanctioned budget ceiling of Vidhayak Keshetra Vikas Nidhi Yojna (VKVNY) of Rs. 30.00 lakh per year.
- II. The increased additionality may not be more than 30% of the original sanction and should be supported by revised cost estimate of the executing agencies.
- III. In exceptional cases when the revised cost estimate is more than 30%, the concerned Deputy Commissioner may send the case to Planning Department for consideration alongwith the specific recommendations of the Hon'ble MLA concerned and the detailed reasons of why the ongoing work could not be got completed within released norms of 30% of the original estimate.

6.4.5 The district-wise details of funds released to 10 Non Tribal Districts and 9 Non Tribal Panchayats of the Bharmour Constituency of District Chamba and actual expenditure incurred under this programme during 2007-08 & 2008-09 and approved outlay for 2009-10 of the Eleventh Five Year Plan (2007-12) are given in the table below:-

Table-3
District-wise Actual Expenditure 2007-08, 2008-09 and
Approved Outlay 2009-10

Sr. No.	Name of District	Actual Expenditure		Approved outlay / Expenditure for 2009-10	
				Approved Outlay	Anticipated Expenditure
		2007-08	2008-09	2009-10	2009-10
1.	2.	3.	4.	5.	6.
1.	Bilaspur	100.00	120.00	100.00	100.00
2.	Chamba	105.10	126.12	105.10	105.10
3.	Hamirpur	125.00	150.00	125.00	125.00
4.	Kangra	400.00	480.00	400.00	400.00
5.	Kullu	75.00	90.00	75.00	75.00
6.	Mandi	250.00	300.00	250.00	250.00
7.	Shimla	200.00	240.00	200.00	200.00
8.	Sirmaur	125.00	150.00	125.00	125.00
9.	Solan	125.00	150.00	125.00	125.00
10.	Una	125.00	150.00	125.00	125.00
	Total:-	1630.10	1956.12	1630.10	1630.10

5. Mukhya Mantri Gram Path Yojana (MMGPY):-

6.5.1 The Mukhya Mantri Gram Path Yojana (MMGPY) has been re-introduced to strengthen decentralized planning process and to meet the aspirations and felt needs of the local population. It has been designed to provide village pucca paths to commuters and road connectivity at micro level. The construction of pucca paths of 4 feet width and minimum of 100 meters to 2 kms length using durable raw material will be constructed under this programme.

6.5.2 The Deputy Commissioners have been fully empowered to sanction works under this Yojna. This Yojna is being implemented in ten non-tribal districts of the State. For the Tribal Districts, the component of this yojana are taken care of under the provision kept for nucleus budget in Tribal Sub-Plan (TSP).

6.5.3 Salient Features

1. Allocation of funds to the districts is made on the basis of total rural population and total number of inhabited villages in the district on 50:50 ratio as per 1991 census.
2. Under the programme neither recurring expenditure/liability can be created nor construction of kutchha path is allowed.
3. The Block Development Officers will supply the list of works in consultation with public representatives to the Deputy Commissioners and Deputy Commissioners are authorized to sanction works on the basis of the shelf/data received from Block Development Officers and other sources.
4. No departmental charges will be levied under this programme and all the sanctioned schemes are to be completed within a period of three month from the date of sanction of the work.
5. The works are to be completed within the sanctioned amount and no additional/ revised sanction of funds will be allowed.
6. Only those developmental works should be considered for execution where estimates and designs are technically approved by the Rural Development Department J.E./A.E./XEN according to their technical powers.
7. The Deputy Commissioners at their own level are allowed to utilize 1 percent contingency of the allotted budget at the district HQs and block level.
8. Under this programme the schemes / works are to be executed with the approval of the District Planning, Development and 20-Point Programme Review Committee.
9. The UCs/CCs of the completed schemes will be maintained by the concerned DCs at the district level in the offices of District Planning Cells.

10. The DCs will be responsible for submission of physical and financial monthly progress reports by the 10th of every month to the Planning Department.
11. The concerned Panchayats will maintain the works executed out of MMGPY funds from their own resources/revenue. Affidavit to this effect is to be obtained from the concerned Panchayats before the sanction of work.
12. Eleven per cent (now 25% based on formula allocation under SCSP) of the allotted total budget under MMGPY will be spent for the construction of pucca paths / link roads in the Scheduled Castes concentrated population villages.
13. Monitoring of the implementation of this scheme will be done on the pattern of other schemes under decentralized planning.
14. The road alignment should be got approved from the PWD, so that the jeepable roads later on could be upgraded to normal bus roads, as per the PWD norms.
15. For any clarification in case of dispute or in a special case, the decision of the Planning Department shall be final.

Budget Provision

6.5.4 A provision of Rs.10.00 crore has been made under this Yojna in the Annual Plan (2009-10) which is to be allotted on the basis of total rural population and total number of inhabited villages in the district on 50:50 ratio as per 1991 census. District-wise allocation to 10 Non Tribal Districts made is given below:-

Table-4
District-wise Allocation of Funds Under MMGPY- 2009-10
(Rs. in lakh)

Sr. No.	Name of District	Approved outlay 2009-10	Anticipated Expenditure 2009-10
1.	2.	3.	4.
1.	Bilaspur	57.93	57.93
2.	Chamba	73.47	73.47
3.	Hamirpur	85.43	85.43
4.	Kangra	225.54	225.54
5.	Kullu	35.04	35.04
6.	Mandi	162.00	162.00
7.	Shimla	130.95	130.95
8.	Sirmour	66.71	66.71
9.	Solan	108.88	108.88
10.	Una	54.05	54.05
	Total	1000.00	1000.00

6. Monitoring Process at the District Level :-

6.6.1 The State Planning Department, after the passing of the budget by the State Legislative Assembly, conveys the Decentralized Planning outlay under all such programmes to all the Deputy Commissioners except the tribal districts. Based on this allocation, the District Planning, Development and 20-Point Programme Review Committees monitor the progress of implementation of the works sanctioned. The process of the review includes a detailed analysis of the physical content and in some cases, also involves the emergence of the diversion proposals from one sector to another depending upon the actual implementation possibilities of various programmes.

6.6.2 The works being executed under SDP, VMJS, VKVNY, MMGPY and MPLADS are monitored regularly in the quarterly meetings of District Planning, Development and 20-Point Programme Review Committees.

The works under these programmes/schemes are monitored and supervised effectively in the following manner :

Sr.No.	Authorised Authority	Inspections (% age)
1.	Block Development & Panchayat Officer / Junior Engineer (Dev.)	100%
2.	District Planning Officer	15%
3.	Sub-Divisional Officer (Civil)	10%
4.	ADC / ADM	5%
5.	Deputy Commissioner	4%
6.	Officer from the State Planning Department	1%

7. District Plans in the Eleventh Five Year Plan (2007-12):-

6.7.1 The Eleventh Five year Plan (2007-12) lays considerable emphasis on the formulation of district plans from the panchayat level based on participatory approach which need to be got approved from the District Planning Committee (DPC) as per recommendations of the Expert Group on planning at grass root level. As a first step, Himachal Pradesh has constituted the District Planning Committees besides DPDCs in all the districts. The Panchayati Raj Department has been entrusted with the function of the preparation of District Plans by involving all the Deputy Commissioners and the District Planning units in this exercise.