

Fiscal Governance  
Reforms at  
District Level for  
Improving Fund  
Flow and  
Utilisation in  
Development  
Schemes

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Policy Brief: 5



# Availability and Capacity of Human Resources for Implementing Social Sector Schemes

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Public employment is essential to deliver necessary public services like security, social services, health and transportation. It improves the quality of life for society at large, and is responsible for bringing social equality and ensuring welfare. In the Indian context, it is also an important tool to reduce unemployment and ensure social justice. Scandinavian countries ensure a high share of public employment, leading to better wellbeing outcomes. In India, however, public sector employment is declining continuously.

For the past few years, the public financial management landscape in India has been experiencing a paradoxical situation. On the one hand, there is a shortage of budgetary resources for many social sector interventions; and, on the other hand, there is incomplete or ineffective utilisation of existing provisions. One factor that greatly affects the resource-absorption capacity of implementing agencies is quantitative and qualitative inadequacy of human resources. Staff shortages and capacity issues of existing staff across departments were found to have an adverse impact on full utilisation of available funds and effective implementation of schemes in social sectors.

## Review of Literature on Staff Shortages and Capacity Issues

Staff shortages contribute to poor resource-absorption capacity<sup>1</sup>, and have thus led to poor quality of services in the development sector<sup>2</sup>. The Second Administrative Reform Commission,

in its Seventh Report, had pointed out “that there is an extreme shortage of officers in the North Eastern States is attributed by many to the system of cadre allotment in the All India Services as per which insiders have very little chance of being allotted their home state”<sup>3</sup>. In its 12th Report, the commission had highlighted shortage of staff and resources as contributory factors to poor public grievance cells.<sup>4</sup> The 13th Report of the Administrative Reforms Commission clearly stated that how trimming down recruitment has led to staff shortages and short-term contract appointments.<sup>5</sup> It also highlighted shortage and capacity issues.<sup>6</sup>

None of the Community Health Centres (CHCs) are functioning as per the standard norms in most states, including Andhra Pradesh, Assam, Jharkhand, Karnataka, and Rajasthan.<sup>7</sup> There are gaps in health specialists such as surgeons, obstetricians and gynaecologists, physicians, and paediatricians. At the all-India level, almost 74 per cent of sanctioned posts for specialists are lying vacant at CHC level, and these figures vary across states.<sup>8</sup>

Pan-India, there is a deficit of 30 per cent against the sanctioned strength among Child Development Project Officers (CDPOs), 28 per cent among supervisors, 7 per cent among Anganwadi workers (AWW) and 7.6 per cent among Anganwadi helper (AWH).<sup>9</sup> This adversely affects the delivery of services on ground. Kapur (2018)<sup>10</sup> rightly stated that “lower and mid-level bureaucrats and front-line workers at the last mile are critical resources in the implementation of government schemes and can make or break the state’s ability to deliver

1 Das, Subrat (2015): Plan spending on social sectors and a paradox in budgetary policies. Down To Earth. New Delhi

2 Das, Subrat (2015). Ensuring Good Governance And Effective Institutions: Can We Afford to Ignore Capacity Issues? Southern Voice Occasional Paper 15, Southern Voice.

3 Seventh Report on: Capacity Building for Conflict Resolution, Friction To Fusion, Second Administrative Reforms Commission, Government of India, 2008

4 Twelfth Report on: Citizen Centric Administration: The Heart of Governance, Second Administrative Reforms Commission, Government of India, 2009.

5 Thirteenth Report on: Organisational Structure of Government of India, Second Administrative Reforms Commission, Government of India, 2009.

6 Fourteenth Report on: Strengthening Financial Management Systems, Second Administrative Reforms Commission, Government of India, 2009.

7 Kapur, A. and R. Shukla (2019), Budget 2019 Is Ambitious on Healthcare. But More Can Be Done, The Wire.

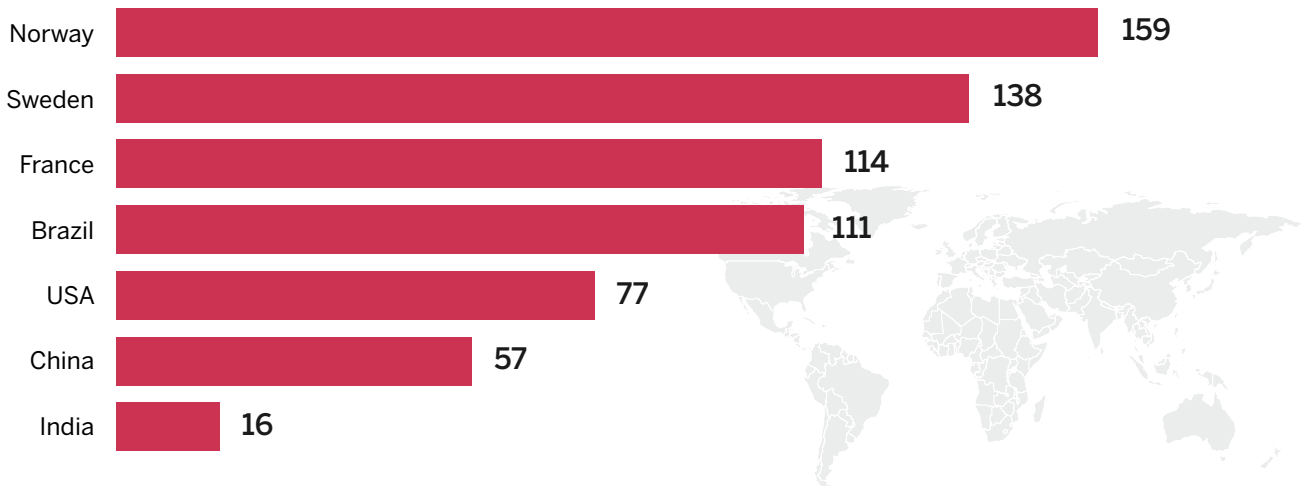
8 Promises and Priorities An Analysis of Union Budget 2019-20, Centre for Budget and Governance Accountability, 2019, pg-23.

9 Ibid, pg-32.

10 Kapur, A (2018), “Decentralised Approach to Tackling Nutrition”, Yojana, New Delhi.

## Figure 1: Public Employees Per 1,000 Population: A Global Comparison, 2015

Public employees per 1,000 population



Source: <https://www.thehindubusinessline.com/opinion/columns/the-withering-tren-of-public-employment-in-india/article28750003.ece>

on its promises. For nutrition, the triple A—AWW, accredited social health activist (ASHA) and auxillary nurse-cum-midwife (ANM)—are the key implementers, responsible for the delivery of essential services on the ground. Yet, for many years, the government has been grappling with acute shortage of staff.” The author argued that other activities like innovation, counseling and training, etc. get neglected in such a situation.

Most of the time, the existing staff is overburdened with work. For example, a nodal officer in a block also takes charge of neighboring blocks. The capacity of workers and community participation was found to be very poor. Training programmes were mostly irregular and not structured properly. Although training programmes are organised on the basis of need assessment at districts, the process of assessing needs and follow up were not systematised.<sup>11</sup>

According to ICDS guidelines, national- and

state-level awards for exemplary performance are to be given to AWWs annually. According to a report<sup>12</sup>, states have shown variable performance in this regard. In Haryana and Meghalaya, the disbursement has been regular over the audit period (2006-2011). But six states—Andhra Pradesh, Jharkhand, Odisha, Bihar, Uttar Pradesh and West Bengal—did not give any awards in this period. In 2012, the Ministry of Women and Child Development requested that all states should give awards as per guidelines, as this was a significant motivational factor for their voluntary service.

The Centre for Budget and Governance Accountability (CBGA) took up a project in collaboration with Tata Trusts, to take stock of how districts were faring in terms of utilisation of funds under 10 CSS (SSA, MDM, NHM, ICDS, PMFBY, MGNREGS, SBM-G, PMAY, NRDWP and NSAP). Five districts were selected for the study: Balasore and Bolangir (Odisha), Chandrapur (Maharashtra), East Singhbhum (Jharkhand) and Krishna (Andhra

<sup>11</sup> Deshpande, D. and A. Kapur (2018), “Unpacking the Processes of Open Defecation Free Status in Udaipur”, Accountability Initiative, Centre for Policy Research, New Delhi.

<sup>12</sup> Comptroller and Auditor General of India (2013). Report of the Comptroller and Auditor General of India on Performance Audit of Integrated Child Development Services (ICDS) Scheme. Union Government (Civil). Ministry of Women and Child Development. Report No. 22 of 2012-13 (Performance Audit). New Delhi.



Pradesh). During the course of this project, it was observed that staff shortage was one of the important factors affecting fund utilisation across schemes. This Policy Brief documents evidence from districts on staff shortages.

## Findings on Staff Shortages

There is a shortfall across posts. Under NHM, in Balasore, there is a deficit among doctors (3 positions), ANM / Staff Nurse (42), Technical Staff (13), finance and accounts staff (1), and other positions (22). In Bolangir, there is a shortfall of Junior Engineer (1), RMNCH counselor (1), Laboratory Technician (4), Block Data Manager (1), AYUSH doctor (3), Additional ANM (3), Staff Nurse (30), Clinical Psychologist-DMHP (1), Psychiatric Nursing – DMHP (1), Malaria Technical Supervisor (2), ANM – NRC (5), AYUSH doctor – RBSK (14), Pharmacist – RBSK (1), Staff Nurse / ANM at RBSK (4), and Staff Nurse at KMC (1). In East Singhbhum, positions for DQAC, Block Programme Manager, ANMs, Staff Nurse, Cold Chain Handler, Block Data Manager, RMNCH+A Counselor, Pharmacists of RBSK and AYUSH, Epidemiologist, Nutritionist etc. remain vacant.

In ICDS too, the situation was similar. In Balasore, six positions for CDPO, 11 positions for supervisor, 78 positions for AWW and 78 positions for AWH are lying vacant. In Bolangir, 1 position for Additional District Social Welfare Officer, 1 position for CDPO, 12 positions for Statistical Assistant, 10 positions for Lady Supervisors, 50 positions for AWW and 13 positions for AWH are lying vacant. In East Singhbhum, 1 position for District Social Welfare Officer, 7 CDPO, 11 Statistical Assistant, 22 for Lady Supervisor, 5 Clerks, 9 Drivers, 6 Peons, and 48 AWW and 118 AWH positions are lying vacant.

In Bolangir, positions for District Project Coordinator, Financial Consultant, Block Education Officer, Additional Block Education Officer, Cluster Resource Centre Coordinator and BRC accountant

of SSA are lying vacant. In East Singhbhum, positions for Assistant Project Officer, Accounts Officer, Assistant Accountant, Assistant Engineer, and Junior Engineer at district are lying vacant along with other positions.

Other than those mentioned above, under PMAY, positions for accountant-cum-computer operator and block coordinator are lying vacant in East Singhbhum. Under NRDWP, positions for Assistant Executive Engineer, Assistant Engineer / Junior Engineer, Section Officer, Junior Assistant, Junior Laboratory Assistant, Daftary, Peon, and NWM-cum-sweeper are lying vacant in Balasore. Other than that, wage work related position and other clerical positions like computer operator, watchman etc. are lying vacant in Balasore.

Under MGNREGS, 6 positions for Block Project Officers, 6 positions for Assistant Engineer, 5 for Computer Assistants, 5 for Accountant Assistants, 30 for Junior Engineer and 70 for Gram Rojgar Sevak are lying vacant in East Singhbhum. Under RKVY, positions of agronomist, plant protection officer, joint quality control inspector, assistant agricultural officer, agricultural overseer, clerks, statistical investigators, drivers, watchman and peon are lying vacant in Balasore. Under NSAP, positions for Block Social Security Officer (BSSO), Junior Assistant, Peon, Programme Accountant are lying vacant in Balasore, while positions for BSSO, Junior Clerk are lying vacant in Bolangir.

Most of the time, a staff shortage is the result of sanctioned posts not being filled. But there are also cases where the number of posts sanctioned, according to the scheme guidelines, are less as compared to the workload. For example, the administrative expenditure for MGNREGS is limited (6 per cent of the total budget), leading to problems in Krishna district. Since Krishna is not able to employ many people in the district due to a host of reasons (like alternative sources of employment, geographical conditions non-conducive for MGNREGS work etc.), the overall money spent under the scheme is less. This leaves



the district with only Rs. 84 lakhs per annum to meet administrative costs. One of the first things that happened due to the resource crunch was that fewer technical assistants, computer operators and other such contractual workers were recruited.

## Evidence from the Ground: Training and Capacity Issues

Training of both existing and new staff is critical to effective implementation of schemes. During our interaction with government officials, we learnt that capacity of staff is a major reason that hinders project implementation. In line with the Government of India's Digital India initiatives, cashless transactions are being promoted to implement different schemes. Direct Benefit Transfer (DBT) measures have been adopted to reach beneficiaries directly. However, little has been done to educate the workforce to operate computers for maintaining accounts, updating databases, preparing reports, fund transfer, linking beneficiary data with Aadhaar and working on software designed for specific programme or project. This is despite staff across departments voicing these challenges continuously.

Training programmes have not been organised on regular basis. Sufficient budgets were not disbursed to blocks to organise training programmes for teachers in Balasore. Very little was spent to maintain infrastructure in schools of Bolangir. Computers are not in a usable condition, and thus none of the teaching and non-teaching staff are able to operate these. In Chandrapur, a block-level official noted that 1-day training takes place to tick a box, and adds that intensive training of anything less than 4-5 days is a waste of the state's resources.

Of the five districts under study, only line

**Table 1: Staff Shortages Across CSS in Study Districts**

	Balasore	Bolangir	East Singhbhum
SSA	-	32	52
MDM	2	0	0
ICDS	7	87	227
NHM	81	75	414
SBM	-	1	9
NRDWP	179	-	-

Source: Data compiled by the district budget analysis team based on the data provided by district officials.

Note: Shortfall of staff against sanctioned positions across schemes in respective districts.

departments in Krishna reported regular training for most of their staff, despite tight budgeting for capacity-building programmes. Also, usage of computers was most prevalent in this district, and a significant proportion of the staff there had a system and was trained to use it. However, even in this district, there is a need to modify training modules in several cases. For example, AWWs were given a month-long intensive training that required them to stay away from their homes for that period, and this became a barrier. At the moment, one-week long refresher courses are taking place, but the Assistant Project Director of ICDS emphasised that a more effective system employing Incremental Learning Approach (ILA) needs to be designed.

Another issue flagged during discussions with block- and district-level officials was budgeting for premises to provide effective training, especially in schemes like ICDS, where office space is limited and training programmes for large numbers need to be conducted in rented spaces.



## Policy Recommendations

- 1** State governments should fill up vacant positions (against the sanctioned strength) in every line department implementing various social sector schemes at various levels. Districts should be given flexibility to recruit to address staff shortages.
- 2** Hard-to-reach and tribal-dominated areas require special attention in recruitment. Adequate incentives should be provisioned to motivate both existing staff and new recruits for effective delivery of services in social sectors.
- 3** Infrastructure shortages should be addressed urgently, including shortages of buildings and rooms required for office purposes, staff quarters, computer, Internet, etc. Adequate annual budget for repair and renovation within the scheme should be factored in for effective discharge of services.
- 4** Working conditions of frontline workers like cooks and cooks-cum-helpers, AWWs, ASHAs, ANMs, para teachers should be regularised. Decent salaries should be provided to all these workers instead of honorarium and incentives. State governments should draw up an action plan to fill up existing vacancies as well as regularising the working conditions of existing staff across schemes.
- 5** Capacity of existing staff in planning, budgeting, monitoring, record-keeping, accounting, use of technology, etc. is a major issue across districts. Inadequate, irregular and ineffective training programmes aggravated capacity issues at the level of districts and below. The capacity building and training programme calendar of each scheme should be reviewed for budgets, frequency, accounting practices, documenting better practices, exchange ideas, etc.









# Fiscal Governance Reforms at District Level for Improving Fund Flow and Utilisation in Development Schemes:

## Full List of Outputs

### Policy Briefs

1. Extent of Fund Utilisation in Social Sector Schemes: Does It Conceal More Than It Reveals?
2. Factors Constraining Fund Utilisation in Social Sector Schemes: An Overview
3. Delay in Fund Flow: Consequences, Causes and Remedies
4. Fund Flow Mechanisms of Centrally Sponsored Schemes in Social Sectors
5. Availability and Capacity of Human Resources for Implementing Social Sector Schemes
6. Rigid Norms and Guidelines Affecting Utilisation of Funds in Social Sector Schemes
7. Strengthening Budget Information Architecture at the District Level

### Notes from the Districts

1. District Mineral Foundation Trust (DMFT) Fund-A Potential Source to Address Resource Gaps in Development Schemes: A Case from East Singhbhum, Jharkhand
2. Revolving Fund Mechanism Can Address Problems Relating to Delayed Fund Flow in Schemes: A Case from Krishna, Andhra Pradesh
3. Unspent Funds Utilised by Expanding Beneficiary Coverage: A Case from Balasore, Odisha
4. Coordination Among Multiple Agencies at the District Level Can Deliver Better Results: A Case from East Singhbhum, Jharkhand
5. Enhancing Transparency and Accountability through DISHA Committee Meetings: A Case from Bolangir, Odisha
6. Online Treasury Portals Can Enhance Fiscal Transparency at the District Level: A Case from Chandrapur, Maharashtra

### Summary Report

**Fiscal Governance Reforms at District Level for Improving Fund Flow and Utilisation in Development Scheme**



All outputs are available at [www.cbgaindia.org](http://www.cbgaindia.org)

To know more about Tata Trusts' role and approach to district budgets, visit <https://www.tatatrusts.org/our-work/digital-transformation/data-driven-governance>

## About the Project

CBGA and Tata Trusts have carried out a two-year project focusing on fiscal governance reforms needed at the district level to improve fund flow and utilisation in development schemes across sectors. It focused on 10 social sector schemes (viz. SSA, MDM, NHM, ICDS, SBM, NRDWP, MGNREGS, NSAP, PMAY, PMFBY) in five districts across four states: Balasore and Bolangir in Odisha, Chandrapur in Maharashtra, East Singhbhum in Jharkhand, and Krishna in Andhra Pradesh. The project assessed the pace of fund flow, and the extent and quality of fund utilisation in select development schemes in the five districts; it has generated a host of policy suggestions to improve planning and budgeting at the district level, and improve the processes of fund flow and utilisation in social sector schemes.

## About CBGA

CBGA is an independent, non-profit policy research organisation based in New Delhi. It strives to inform public discourse through rigorous analysis of government budgets in India; it also tries to foster people's participation on a range of policy issues by demystifying them.



For further information about CBGA's work, please visit [www.cbgaindia.org](http://www.cbgaindia.org) or write at: [info@cbgaindia.org](mailto:info@cbgaindia.org)

## About Tata Trusts

Since inception in 1892, Tata Trusts, India's oldest philanthropic organisation, has played a pioneering role in bringing about an enduring difference in the lives of the communities it serves. Guided by the principles and the vision of proactive philanthropy of the Founder, Jamsetji Tata, the Trusts' purpose is to catalyse development across various sectors. The Trust's work on data driven governance focuses on "strengthening rural & urban decision making systems, and associated stakeholders to leverage data and technology and move towards a more informed and participatory approach to decision making, that supports improved development outcomes for all."



For further information about Tata Trusts' work, please visit [www.tatatrusts.org](http://www.tatatrusts.org) or write at: [talktous@tatatrusts.org](mailto:talktous@tatatrusts.org)