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PANCHAYATI RAJ & DRINKING WATER DEPARTMENT

NOTIFICATION

The 7th February, 2018

No.2473-17-CFC-20-6117/PR & DW— In supersession to this Deptt. Notification issued vide No.5737, dtd. 30.03.2016 and incorporating the suggestions communicated by Ministry of Panchayati Raj, Govt. of India vide No.11011/4/2017-FD., dated the 29th September, 2017, Government have been pleased to formulate the revised detailed procedure for disbursement of Performance Grant recommended by the 14th Finance Commission from 2017-18 to 2019-20 to the Gram Panchayats of the State for incentivizing better performance. The Grant shall be utilized by the Gram Panchayats to support and strengthen their primary functions to enable the GP to augment their resources for better governance.

INTRODUCTION :

The 14th Finance Commission have mandated to recommended measures needed to augment the consolidated funds of the State to supplement the resources of the Gram Panchayats based on the recommendation of the 4th State Finance Commission.

The constitutional mandate to strengthen the Gram Panchayats as institution of Local Self Government is not only limited to the functions for providing basic civic services but also to keep them within the ambit of accountability and responsibility to utilise public money placed with them.

OBJECTIVE OF THE GRANT :

The primary objective of the Performance Grant is to recognise and to incentivise the Gram Panchayats to adopt citizen centric governance and service deliveries so as to improve the quality of life in their respective areas and the Performance Grant equally aims at the following aspects which would enable and empower the Gram Panchayats in achieving the primary objective.

1. Sustained improvement in Gram Panchayats to raise own revenues.
2. Making available reliable data on Gram Panchayats including receipt and expenditure through audited accounts.

MANDATORY ELIGIBILITY CRITERIA TO ACCESS PERFORMANCE GRANT:

With view to inculcate a performance driven culture in Gram Panchayats, the 14th Finance Commission have recommended a set of simple and very basic conditions as follows:—

1. Gram Panchayats must submit audited accounts that related to year not earlier than two years preceding the year in which, the Gram Panchayats seeks to claim the performance grant. For example, to avail the grants in the financial year 2017-18, the Gram Panchayats have to prepare and submit audited accounts for the financial year 2015-16 and so on.

2. The Gram Panchayats must show an increase in its own revenue in Financial Year 2015-16 over the preceding FY 2014-15 as reflected in the audited accounts for claim of Performance Grants for 2017-18 and so on.

3. Preparation of Gram Panchayat Development Plan (GPDP) of the year of performance grant disbursement and uploading the same in Plan Plus portal.

4. Uploading of sector wise expenditure of 14th Finance Commission grant of previous year of performance claim year in the Dashboard/ website of MoPR.

EVALUATION CRITERIA TO ACCESS PERFORMANCE GRANT:

1. Increase in quantum of Own Source of Revenue (OSR).

2. Percentage of OSR quantum generated with respect to 14th Finance Commission Basic Grant amount of previous financial year to the Performance Grant claim year as per audited accounts.

3. Open Defecation Free (ODF) status of GP in the previous financial year to Performance Grant claim year (authenticated certificate to be uploaded).

4. Immunization (0-2 year age children full immunisation) in GP in the previous financial year to Performance Grant claim year (authenticated certificate to be uploaded).

The key underpinnings of performance grant is to enhance the efficiency and effectiveness of the Gram Panchayats in the delivery of basic civic services and thus this funds are to be viewed as incentive to drive better service delivery. In this process the Gram Panchayats will be able to become self-sustaining and bring about an inclusiveness into their service delivery systems to pave the path for good governance.

Since the 14th Finance Commission recommended the State Government to formulate State specific guidelines to enable the Gram Panchayats for availing performance grant, all the aspects attended in creation and maintenance of capital assets, costless development, transparency and accountability etc., have been taken into consideration and a software "Panchayat Performance Grant Management System" has been devised which can feed the data from Panchayat level and upload in the website. These data can be screened at the Block level, Zilla level and State level to rank the Panchayats and their position at each level so that, the good performing panchayats can avail the performance grant earmarked by the 14th Finance Commission in each year i.e., from 2017-18 to 2019-20.

Out of 6798 Gram Panchayats in the State at present, those Gram Panchayats complying the four eligibility conditions recommended by the 14th Finance Commission and Ministry of Panchayati Raj (MoPR) will be eligible to receive the performance grant.

The trust based approach adopted by 14th Finance Commission, underlines the understanding that the local bodies will discharge their statutory functions with all due care. The preparation and audit of accounts will provide necessary transparency and accountability in this regard which will enable the Gram Panchayats to strengthen the confidence of the public on these institutions and the institution of local self Government can successfully fulfill the mandates entrusted by the Constitution.

ORDER

Ordered that this notification be published in the Extraordinary issue of the *Odisha Gazette*.

By Order of the Governor

D.K. SINGH

Principal Secretary to Government

District :

Block :

Panchayat :

Section A : Financial Performance

A 1.Audit completed for 2014-15 :

	Audited By	Date of Audit	Audit Certificate		
<input checked="" type="checkbox"/>	AG Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If AG audit completed
<input checked="" type="checkbox"/>	Chartered Accountant Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If CA audit completed
<input checked="" type="checkbox"/>	Local Fund Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If LFA completed

N.B.: If Audit Report of either A.G. or LFA is available for the desired period, it is not required to get the account audited by Chartered Accountant for the said period.

A 2.Audit completed for 2015-16 :

	Audited By	Date of Audit	Audit Certificate		
<input checked="" type="checkbox"/>	AG Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If AG audit completed
<input checked="" type="checkbox"/>	Chartered Accountant Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If CA audit completed
<input checked="" type="checkbox"/>	Local Fund Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If LFA completed

N.B.: If Audit Report of either A.G. or LFA is available for the desired period, it is not required to get the account audited by Chartered Accountant for the said period.

A 3.Audit completed for 2016-17 :

	Audited By	Date of Audit	Audit Certificate		
<input checked="" type="checkbox"/>	AG Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If AG audit completed
<input checked="" type="checkbox"/>	Chartered Accountant Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If CA audit completed
<input checked="" type="checkbox"/>	Local Fund Audit	dd/mm/yyyy	<input type="checkbox"/> abcdpoug.v.jpg	<input type="checkbox"/>	+ If LFA completed

N.B.: If Audit Report of either A.G. or LFA is available for the desired period, it is not required to get the account audited by Chartered Accountant for the said period.

A.4. Completion of Gram Panchayat Development Plan (GPDP) for the performance grant disbursement year and upload the same in Plan Plus portal.

i) Yes (Upload the Action Plan)

ii) No

A.5. Increase in Own Source Revenue (OSR) over the preceding year as reflected in the audited accounts:

****Conditions (OSR increase in 2015-16 compared to 2014-15)**

<u>Increase in OSR quantum</u>	<u>Marks</u>
i). >0 up to 10%	05
ii). >10 up to 25%	10
iii). >25 up to 50%	15
iv). > 50%	20

	<u>Amount</u>	<u>Upload Cash book/ Priasoft copy</u>
A.6. Own source of revenue in 2014-15: (in Rs.)	xxxxx	abcdpoug.v.jpg <input type="checkbox"/>
A.7. Own source of revenue in 2015-16: (in Rs.)	xxxxx	abcdpoug.v.jpg <input type="checkbox"/>
A.8. Own source of revenue in 2016-17: (in Rs.)	xxxxx	abcdpoug.v.jpg <input type="checkbox"/>

A.9. Display of sector-wise 14th Finance Commission Expenditure in Dashboard/ website URL of MoPR of previous year to PG Claim.

A.10. Conditions (Increase in OSR in 2016-17 with respect to Increase in 14th Finance Commission Basic Grant 2016-17)

<u>Increase in OSR quantum</u>	<u>Marks</u>
i). >0 up to 10%	15
ii). >10 up to 20%	20
iii). >20 up to 30%	30
iv). > 30%	40

A.11. Open Defecation Free (ODF) status of GP in the previous financial year to PG claim year

	<u>Marks</u>
i). Yes	30
ii). No	0

A.12. Immunization in GP in the previous financial year to Performance Grant claim year Full immunization (0-2 year age children).

	<u>Marks</u>
i). Yes	10
ii). No	0

A.13. Total fund available in 2016-17: (in Rs.)

a. 14th Finance Commission

- (i) CFC Basic Grant: (in Rs.) +
- (ii) Performance Grant: (in Rs.) +

b. 4th State Finance Commission

- (i) Devolution Grant: (in Rs.) +
- (ii) Revenue generating scheme: (in Rs.) +
- (iii) Staff quarter of Panchayat: (in Rs.) +
- (iv) Maintenance - Capital Asset: (in Rs.) +
- (v) Street Light: (in Rs.) +
- (vi) Own source of revenue: (in Rs.) +
- (vii) Incentive Grant: (in Rs.) +

Total b

Grand Total a + b

A.14. Total expenditure against Total Funds Available (TFA) 2016-17: (in Rs.) +

Section B: Infrastructure & Services :

B.1. Number of households given water connection:

B.2. Villages provided with LED light:

Sl	Name of village	Photo	Estimate/ Invoice
1	xyzayzsjfhjkjksd <input type="text"/>	abcdef.jpg <input type="text"/>	defgh.pdf <input checked="" type="checkbox"/> +
2	abcdefghijklmknop <input type="text"/>	abcdef.jpg <input type="text"/>	defgh.pdf <input checked="" type="checkbox"/> +

Section C: Costless Development:

- C.1. Number of Individual House Hold Latrine (IHHL) constructed and used during 2016-17: Certificate upload

Distribution of Performance Grant to GPs :

PG distribution to GPs based on their score shall be made as per details given in the following table:

Score	Eligible Quantum of PG
Up to 49	50 % of Allocation
50 up to 60	70 % of Allocation
61 up to 70	80 % of Allocation
71 and above	100 % of Allocation

** Any undistributed amount, after the above allocations along with that of ineligible GPs will be redistributed only amongst the GPs scoring 50 or above, proportionately on the basis of weighted average of the score obtained by the GP with respect to the overall weightage.