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# research report

September, 2018

## Catalysing Actions for District Development Planning by Consolidating Local Priorities



### **Acknowledgements**

Based on PRIA's experience in decentralised local governance and its submitted proposal, NITI Aayog invited PRIA to prepare this report on the decentralised district planning process in Sikkim. The purpose was to help evolve practical methods for institutionalising participatory development planning and prioritisation at the local level. Such research and studies are important if local self-governance in India is to reduce dependence on Centrally Sponsored Schemes, strongly integrate participatory decentralised planning, and make more effective use of the enhanced devolution of financial resources under the 14<sup>th</sup> Central Finance Commission. PRIA recognises the vision and commitment of NITI Aayog in this regard, and for giving us the opportunity to undertake this study. It has helped us enrich our own understanding of the participatory planning process and institutional arrangements at the district level for integrated, people-centred development.

The study chose to focus on the district plan preparation process in two districts: East Sikkim and South Sikkim. The officers, elected representatives and communities in both districts were forthcoming in conversations and with sharing data, engaging with the action-research process with dynamism. We are grateful to all of those who participated in the consultations and capacity building workshops for sharing their knowledge and experience; we are unfortunately unable to mention all of them by name here.

The team received full support from the District Planning Officers, Block Development Officers, Sarpanches and other office bearers of Gram Panchayat Units. We take this opportunity to thank all of them. We would like to thank members of the District Planning Committee, East Sikkim and South Sikkim, especially Mr. Bimal Dwari, President, Zila Panchayat and Chairperson, DPC, East Sikkim; Mr. Chhabi Lal Gurung, President, Zila Panchayat and Chairperson, DPC, South Sikkim; and the District Collectors of both districts.

Additional District Collectors (Development) Pakyong and Gangtok (in East Sikkim) and Additional District Collectors (Development) Namchi and Ravangla (in South Sikkim) supported the PRIA team in organising the block level consultations. Thank you.

Mr. D.R. Nepal, Secretary, Rural Management and Development Department (RMDD), Government of Sikkim and Mr. M.N. Dhakal, Director, RMDD provided guidance to the PRIA team during every step of the district planning process. We gratefully acknowledge their support.

**PRIA Research Team, New Delhi**

#### **Disclaimer:**

Society for Participatory Research in Asia (PRIA), New Delhi has received the grant under the Research Scheme of NITI Aayog, 2015 to produce the document. However, NITI Aayog shall not be held responsible for findings or opinions expressed in the document prepared. This responsibility rests with Society for Participatory Research in Asia (PRIA), New Delhi.

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### Abbreviations

<b>ADC</b>	Additional District Collector
<b>BAC</b>	Block Administrative Council
<b>BE</b>	Budget Estimated
<b>BFE</b>	Bare Foot Engineer
<b>BR</b>	Budget Revised
<b>BRGF</b>	Backward Region Grant Fund
<b>CFC</b>	Central Finance Commission
<b>CSS</b>	Centrally Sponsored Schemes
<b>DPCs</b>	District Planning Committees
<b>FRED</b>	Finance, Revenue and Expenditure Department
<b>GDP</b>	Gross Domestic Product
<b>GPDP</b>	Gram Panchayat Development Plan
<b>GPUs</b>	Gram Panchayat Units
<b>GRS</b>	Gram Rojgar Sahayak
<b>GSDP</b>	Gross State Domestic Product
<b>MEO</b>	Municipal Executive Officer
<b>MGNREGS</b>	Mahatma Gandhi National Rural Employment Guarantee Scheme
<b>MoPR</b>	Ministry of Panchayati Raj, Government of India
<b>MTFP</b>	Medium Term Fiscal Plan
<b>NITI Aayog</b>	National Institution for Transforming India
<b>NEC</b>	North Eastern Council
<b>NRDWP</b>	National Rural Drinking Water Programme
<b>OTR</b>	Own Tax Revenue
<b>ODF</b>	Open Defecation Free
<b>PAA</b>	Panchayat Account Assistant
<b>PDA</b>	Panchayat Development Assistant
<b>PI</b>	Panchayat Inspector
<b>PMAY</b>	Pradhan Mantri Awas Yojana
<b>PRI</b>	Panchayati Raj Institution
<b>RMDD</b>	Rural Management and Development Department, Government of Sikkim
<b>RWSS</b>	Rural Water Supply System
<b>SFC</b>	State Finance Commission
<b>SCs</b>	Scheduled Castes
<b>STs</b>	Scheduled Tribes
<b>ULBs</b>	Urban Local Bodies
<b>UD&amp;HD</b>	Urban Development and Housing Department, Government of Sikkim

## Chapter I

### INTRODUCTION

Panchayats and Urban Local Bodies (ULBs) in India are constitutionally mandated under Article 243G and Article 243W to prepare their development plans in a participatory manner. The Constitution of India desires and mandates creation of District Planning Committees (DPCs), as per Article 343ZD, to prepare draft District Development Plans. A detailed manual and guidelines was shared with state governments to facilitate participatory decentralised planning by the erstwhile Planning Commission (renamed NITI Aayog in 2014).<sup>1</sup>

Keeping in mind the Government of India's provisions for drafting decentralised district plans, the Ministry of Panchayati Raj emphasised formation of comprehensive district development plans on annual basis. District Planning Committees are expected to play an important role in the preparation of these plans. Another push was given to the district planning process under the Backward Region Grant Fund (BRGF). The BRGF was path-breaking because it underscored the important of integration of rural and urban plans of a district by the DPC.

On the recommendation of the 14<sup>th</sup> Central Finance Commission (CFC), funds to gram panchayats based on fixed criteria<sup>2</sup> are being made available directly into their accounts. Ministry of Panchayati Raj has issued a letter, as has the Ministry of Finance, reiterating the need for preparation of Gram Panchayat Development Plans (GPDPs).

The purpose of this study is to analyse the new environment created for decentralised planning through:

- 1) Reduction and streamlining of Centrally Sponsored Schemes and increased devolution of resources to States from the Central divisible pool
- 2) Stronger emphasis on cooperative federalism and participatory development action from the local level upwards
- 3) Enhanced devolution of financial resources to local bodies under the 14<sup>th</sup> Finance Commission; and
- 4) Lack of capacities and experiences at State and sub-State level to facilitate bottom-up planning exercises and processes.

<sup>1</sup> Manual for Integrated District Planning, New Delhi, Planning Commission, 2008

<sup>2</sup> Distribution of grants to the states using 2011 population data with weight of 90 per cent and area with weight of 10 per cent. The grant to each state will be divided into two - a grant to duly constituted gram panchayats and a grant to duly constituted municipalities, on the basis of urban and rural population of Census 2011.

## 1.1 Choice of study area

This action-research study was conducted in Sikkim, a state in north-eastern India. Given the new environment created through increased devolution of resources to states and stronger emphasis on cooperative federalism, Government of Sikkim launched the 'Aafno Gaon Aafai Banau' programme, targeting the poorest of the poor in terms of quality services and creation of livelihood avenues for long term socio-economic impact. All Gram Panchayat Units (GPUs) were required to prepare comprehensive GPDPs.

Aafno Gaon Aafai Banau is the most recent effort by the Government of Sikkim to promote people-centred development. Sikkim is a remarkable state in terms of decentralisation of power to local self-governance institutions and the people. Power has been transferred to villagers through panchayats, making local communities partners in envisioning development, finalising schemes and implementing them at the grassroots level. Sikkim has been acknowledged by Ministry of Panchayati Raj as the best state in the country in the category of smaller states for its outstanding performance in strengthening and developing Panchayati Raj Institutions (PRIs).

Two districts – East Sikkim and South Sikkim – were selected to support the preparation of GPDPs. These districts were proposed to NITI Aayog as they represent the state adequately on parameters like population, geography, infrastructure and urbanisation. The choice was later endorsed by officials of Rural Management and Development Department, Government of Sikkim (RMDD) when the study commenced.

## 1.2 Methodology

At the start of the study, the GPUs in the state had already begun the process of preparing their annual development plans, called GPDPs, for the year 2017-18. It was decided to use the action-research methodology to support and qualitatively improve the ongoing planning process rather than initiate a fresh process. The methodology focussed on multi-stakeholder engagement to orient, build understanding and capacities of local level officials to facilitate bottom-up planning. Learnings from each consultation were used by the local officials in the ongoing planning process. In subsequent meetings, challenges experienced in facilitating truly participatory planning at the grassroots were discussed and reflected upon, which helped strengthen the planning process.



In consultation with NITI Aayog and RMDD, a series of orientation meetings and capacity building workshops were held between October 2016 and October 2017:

State level consultation to build common understanding:

- To orient RMDD officials, panchayat members and PRI functionaries: 17 October 2016

District level orientation on planning formats and data collection:

- for South Sikkim officials: 19 October 2016
- for East Sikkim officials: 20 October 2016

Block/GPU level facilitation of planning process:

- in Rakdong Tintek, East Sikkim: 25 April 2017
- in Pakyong, East Sikkim: 20 May 2017
- in Namchi, South Sikkim: 17 May 2017
- in Sumbuk, South Sikkim: 18 May 2017

District level (re)visioning and consolidation programme:

- in South Sikkim: 15 July 2017
- in East Sikkim: 19 August 2017

State consultation to share Way Forward:

- in Gangtok: 25 September 2017

Along with this multi-stakeholder engagement process, the PRIA team also provided:

- Support to line department officials in plan preparation
- Consultations with line departments working in GPU areas
- District wide meetings (along with State Finance Commission members) to further understand issues at GPU and zila panchayat levels
- Support in consolidating GPU plans – as a first step at Block Administrative Council (BAC) level to prepare BAC plan, and then consolidating all BAC plans to prepare the draft District Development Plan
- Data entry and processing

A district point-person stationed in Sikkim was available for constant technical handholding. As part of the study, two district plans with local priorities for 2016-17 were generated, one for South Sikkim and the other for East Sikkim.

### **1.3 Outcomes of multi-stakeholder engagement process and capacity building programme**

#### **(i) State level multi-stakeholder consultation to build common understanding**

The first in the series of orientation and capacity building workshops was a state level multi-stakeholder consultation held on 17 October 2016. This consultation was attended by 90 participants, including RMDD office bearers, district level officials, panchayat members and PRI office bearers. It was a beginning in building a common understanding among these different stakeholders about the importance of the decentralised planning process and preparation of draft District Development Plan.

Easy-to-understand infographics and presentation of the planning formats developed by RMDD helped GPUs understand the detailed guidelines and formats that need to be followed when drafting plans. In the discussions, elected panchayat representatives and Panchayat Development Assistants (PDAs) highlighted that money coming to GPUs under 14th CFC was disbursed with many conditionalities defining what the funds could be used for; this was issued by the State government. The tied nature of the resources made it difficult for GPUs to use these funds to fulfil local needs and priorities.

#### *Key outputs of the consultation:*

- Office bearers of the GPUs and zila panchayat were able to understand the processes and steps related to decentralised participatory planning
- Participants were able to understand the significance of various tools of Participatory Rural Appraisal (e.g., transect walk, social and resource mapping, situational analysis) that needed to be used in preparing the plans
- Appreciation of the significance of working together in preparing the draft District Development Plan.

#### **(i) District level orientation on planning formats and data collection**

After conducting the state level workshop, district level orientation was organised in the selected districts. On 19 October 2016, 82 participants attended the orientation workshop in Namchi for South Sikkim. The district level orientation for East Sikkim was organised on 20 October 2016, attended by nearly 70 participants. One of the key objectives of these workshops was to share a format that district officials could use while developing their GDPDs for 2017-18 (see Annexure 1). The workshop was also an opportunity for officials to clarify doubts regarding the various heads in the format, learn how to fill in the format, and analyse the data.

**Table 1.1**  
**Participation in District Level Orientation Workshop**

Date	Place	No. of Participants
19-10-2016	Namchi (South Sikkim)	82
20-10-2016	Gangtok (Zila Panchayat Bhawan)	70
<b>TOTAL</b>		<b>152</b>

The standardised format was a very useful resource that was shared, since district and block level officials were finding it difficult to collate and consolidate the data sent in by GPUs (each GPU was using a different format). The workshop also highlighted the lack of capacities among panchayat officials to analyse the data that was being generated.

*Key outputs of the district level workshops*

- Office bearers of the GPUs and zila panchayats understood the key heads and planning formats necessary to be filled in as part of the decentralised and participatory planning process.
- Official and elected representatives developed clarity on the planning process and importance of data analysis.

**(ii) Block/GPU level facilitation of planning process**

After the state and district level capacity building workshops, GPUs started to develop their GDPs for 2017-18. Once their draft plans were ready, two structured workshops were conducted to provide support to 27 GPUs. In all, 101 participants attended the workshops and presented plans for these 27 GPUs.

PRIA team also provided focused facilitation to the two districts to consolidate their respective plans. It was decided that initial consolidation would be done at the Block Administrative Council (BAC) level. Focused facilitation was provided in two blocks of Sikkim East, namely, Rakdong Tintek and Pakyong. The selection of these two blocks was done in consultation with RMDD and district level officials.

Table 1.2

**Block-wise Number of GPUs Who Received Focused Facilitation and Support**

District	BAC	Date	No. of Participants
East Sikkim	Rakdong Tintek	25-04-2017	25 (4 GPUs)
	Pakyong	20-05-2017	40 (9 GPUs)
South Sikkim	Namchi	17-05-2017	19 (9 GPUs)
	Sumbuk	18-05-2017	17 (5 GPUs)
<b>TOTAL</b>			<b>101 (27 GPUs)</b>

Review of the plans in the workshops highlighted the capacity gaps at the lower levels. Most GPUs had copied and pasted activities from their 2015-20 perspective plans (when the GPD planning exercise was started as a pilot in Sikkim) into their 2017-18 GPDs. Participants from GPUs shared that because of limited guidance, Gram Planning Forums (GPF) did not make any effort to conduct Participatory Rural Appraisal (PRA). GPFs were thus also not able to assess the achievements made in various sectors (human, economic, civic amenities, environment, etc.) in 2016-17 and what key challenges had been faced by the GPUs in implementing different activities. The Panchayat Inspector (PI) plays an important role in guiding GPFs and supporting Block Development Officers (BDOs) in plan preparation. However, in some BACs, the post of PI had been lying vacant; GPUs in these BACs then faced additional challenges in drafting their plans.

*Key discussions at the block level workshops*

- Line departments do not share their resources with panchayats (or for that matter with RMDD) and therefore activities that could be implemented through convergence or on no-cost basis were not executed.
- GPUs are heavily dependent on the resources they are getting from the 14<sup>th</sup> CFC. Some GPUs are utilising those funds, but often the activities undertaken are unproductive.
- Requirements for different types of activities, and resources for this, vary across wards of a particular GPU. Activities should be finalised on the basis of number of households living in a ward and geographical area of that ward. Activities prioritised on the basis of needs of individuals and not on the basis of resources available under a particular scheme will give the panchayat more flexibility to execute plans and help reduce disparities in the community.
- GPUs can develop activities that promote human capital at the local level, e.g., establishment of Digital Resource Centre (DRC) in or near the panchayat office for recreation and access to knowledge by young and old in the community.

- Activities related to solid-liquid waste management can access resources under Swachh Bharat Mission (SBM).

#### How can we organise no-cost activities?

Many participants asked for more information related to organising no-cost activities. Some suggestions shared at the workshop included:

- In April, which is the beginning of the financial year, a campaign to enrol children between 0-5 years in anganwadis and students between 6-14 years in school. This could be done in collaboration with women and child development and human development departments.
- In May, immunisation campaign for children and mothers, organised with help of health department.
- In June, “Save the Environment” awareness campaign could be co-organised with the forest department.
- In July, a campaign on safe drinking water could be organised in collaboration with rural water supply and sanitation department.

These block level workshops gave local level officials the space to receive feedback on the plans they had prepared. GPU officials returned to their panchayats and began to rework their plans based on the feedback they had been given.

#### (iii) District level (re)visioning and consolidation programme

The district level consultation on 15 July 2017 in South Sikkim and on 19 August 2017 in East Sikkim were held to review the Vision of the district and to develop a mechanism to consolidate the GPDPs drafted by GPUs. In all, 61 participants (22 in South Sikkim and 39 in East Sikkim) attended, including DPC members; DPC Chairperson, East Sikkim; Up-Adhyaksha, Zila Panchayat; Director, RMDD; District Planning Officer; Additional District Collector (Dev.); Block Development Officers; Municipal Executive Officer and Planning Officers.

Participants shared and reviewed the Vision for their district. Discussions were facilitated to arrive at a consensus around this Vision.

Participants from East Sikkim agreed on making their district a ‘Smart District’, defined as one which:

- Has broadband connectivity in villages
- Generates employment

- Promotes tourism
- Has technical institutions for employable skill building

In the envisioning exercise for South Sikkim, participants emphasised the following sectors:

- Establishment of technical institutions for employable skill building
- Animal husbandry, dairy farming
- Broadband connectivity in villages
- Tourism

#### **(iv) State consultation to share Way Forward**

The discussions with multiple stakeholders in the various workshops and consultations were mined to arrive at a set of proposed changes to the institutional, financial and planning processes for more effective decentralised planning in Sikkim, which would benefit from cooperative federalism and the enhanced devolution of resources to local bodies under the 14<sup>th</sup> CFC. The wide ranging experiential knowledge shared by local level officials was of particular value in undertaking this analysis.

A state level consultation on 25 September, 2017 was organised to share the proposed changes and get feedback from those who have to implement these changes. The consultation, attended by 52 participants, was also a good platform to validate the research analysis and seek comments (and criticism) of the suggested ways forward.

##### *Key discussions at the state consultation*

- The term ‘planning process’ should be changed to ‘planning and review process’ to integrate reviews into every stage of the planning process.
- Making an integrated District Development Plan requires non-negotiable, time-bound planning and review of GPDPs, Zila Panchayat Development Plan (ZPDP) (at the zila panchayat level) and Municipal Development Plan (MDP) (at the ULB level). The DPC must consolidate GPDPs, ZPDPs and MDPs when preparing the draft District Development Plan, as mentioned in Art 243ZD of the Constitution of India and Sikkim Panchayat Act.
- The State Planning Department should be made the nodal department for facilitating district development planning in Sikkim.
- A state level coordination committee headed by the Development Commissioner and comprising heads of all line departments must review every quarter the progress in planning on the basis of data and feedback from the field.

- The State Planning Department must prepare a planning and review calendar, beginning with a review of implementation of the previous year's plan and current state of development in GPUs.
- All information related to and required for decentralised development planning should be made available in one place.
- District Planning Committees must be strengthened without any delay.
- Once strengthened, DPCs must create Block Technical Support Committees to provide timely and appropriate handholding support to planning processes at GPU and ULB levels in each block.
- The existing GPFs should be reorganised to include fewer, but more active, members.
- The State Planning Department and DPCs must ensure high quality capacity building of GPUs, zila panchayats and ULBs.

#### 1.4 Limitations of current planning process

Utmost care is given in consolidating GPDPs prepared by the GPUs in the decentralised planning process in Sikkim. But availability and quality of data used in planning is a major obstacle in preparing superior plans. In the review of annual plans prepared by GPUs, minor mismatches were observed between consolidated and disaggregated figures. The PRIA team tried to facilitate procurement of related information and budget details from the line departments in East Sikkim. Unfortunately, even line department officials do not have exact data relating to the approved District Development Plan, and were constrained in their ability to provide data on planned activities, budget and expenses. As a result, data on expenditure, receipts and revenue generation capacity of the State under various schemes and programmes is limited, and analysis in this report has relied predominantly on the 2017-18 GPDPs developed by 52 GPUs in East Sikkim and 47 GPUs in South Sikkim district.

Zila panchayats have their own plans. District Planning Officers were able to provide ZPDPs for 2017-18. However, these plan documents were not analysed as most of the activities mentioned in the plan are not related to development outcomes. In addition, activities across ZPDPs seem to be of a similar nature (e.g., tarpaulin distribution). Zila panchayats in Sikkim, like in other states, are not receiving any grants under 14<sup>th</sup> CFC. There is no systematic planning process at the zila panchayat level (unlike GPDPs prepared by GPUs).

The planning process in Sikkim, as in most other states of India, is not integrated from bottom-up. Plan preparation in GPUs is delinked from the planning process at zila panchayat level.

It is important to put on record information given to PRIA that annual plans of ULBs in East Sikkim and South Sikkim had not been prepared. We liaised with municipal authorities and elected members of these ULBs to develop plans. But they were neither convinced nor interested in undertaking the planning process. As a result, Draft District Development Plans for East Sikkim and South Sikkim were prepared only on the basis of GPDPs submitted by GPUs in the respective districts.



## Chapter II

### STATUS OF CURRENT INSTITUTIONAL MECHANISM TO SUPPORT LOCAL PLANNING

#### 2.1 Decentralised planning in India

Article 243G of the Indian constitution mandates the preparation of plans for economic development and social justice by panchayats. Though the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment Acts in 1992-93 provided constitutional sanction to decentralisation, decentralised planning has been given high importance from the very beginning in discussions on development planning in Independent India. Decentralised planning found expression for the first time in the First Five Year Plan (1951-56), when it was suggested that the planning process be undertaken at state and district levels too. The first Administrative Reforms Commission in 1967 also stressed the need for meaningful planning at the district level, especially focusing on local variations in development patterns. The Planning Commission issued its first guidelines for district planning in 1969, which led to several states formulating district plans. However, barring a few isolated examples, nothing significant was promoted and practiced to strengthen decentralised planning till the 73<sup>rd</sup> and 74<sup>th</sup> amendments were passed.

In a clear reversal of a centralised approach to district planning, the 73<sup>rd</sup> Constitutional Amendment Act mandates the establishment of panchayats at the district, intermediate and village levels. The 74<sup>th</sup> Constitutional Amendment Act mandates the establishment of a DPC to consolidate plans prepared by panchayats and municipalities in the district into a draft District Development Plan. The amendments also establish the overarching responsibility of the Central government to ensure the full implementation of Parts IX and IXA of the constitution and to empower panchayats and municipalities as institutions of local self-governance.

The Central government's interest in strengthening local governments also emerges from the widespread need for institutional changes to enable and sustain greater access to basic local services. In 2008, the Planning Commission realised that considerable investments in local service delivery functions made by the Central government (through Centrally Sponsored Schemes and Additional Central Assistance) threw up a major challenge for making decentralised district planning a truly bottom-up process. It was also recognised that mega Centrally Sponsored Schemes give detailed prescriptions of planning, implementation and monitoring

processes, and these may not all be in tune with each other. Some of these schemes did give space for district planning, by incorporating broad elements of the generic process, such as a situation analysis, envisioning, fixing targets, selection of works and monitoring. By and large though, the institutional mechanisms envisaged continued to bypass panchayats and municipalities, or at best sought only a cursory and token linkage with them.

To promote decentralised district planning the erstwhile Planning Commission suggested that typically in a good decentralised district planning exercise, each planning unit, namely, panchayats at the district, intermediate and village levels, municipalities, line departments and parastatals would prepare a plan for execution of each of their functions and responsibilities after consulting with the people. While collaborating and coordinating with each other, they would not in normal course trespass into each other's areas of responsibility, unless there were definite gains to be had, and with mutual consent. The final plan would result from a buckling together of these unit plans through a consultative process of consolidation.

The Eleventh Five Year Plan of Government of India (2007-12) stressed that it was absolutely critical for inclusiveness in India's growth that large numbers of elected local government representatives should be fully involved in planning, implementing and supervising the delivery of essential public services. The Plan also stressed that each district must prepare a District Development Plan that integrates plans for its constituent urban and rural areas, as well as mark sectoral allocations for various schemes under urban and rural areas.

## **2.2 Local self-government in Sikkim**

Though the Sikkim Panchayat Act of 1993 (conforming with the 73<sup>rd</sup> Constitutional Amendment Act) is the current law for local self-government in Sikkim, the roots of panchayati raj in the state date back to the time when Sikkim was a kingdom under the Namgyal Dynasty. In this period, there were landlords (zamindars, or kazis). Each kazi governed mandals and karbaris, managed the tilling of fields and collected taxes in the form of dhuri khazana.

The Sikkim Panchayat Act enforced in December 1965 consolidated and amended laws relating to panchayats in Sikkim. The objective of establishing panchayats was to facilitate rural development and to enable participation by all communities at the village level. The term of these panchayats was three years and each panchayat was assigned 16 duties and

functions. To fulfill these duties, the panchayats had resources comprising house tax, a proportion (10 per cent) of the land revenue of the block, matching grants by the Darbar for original work (for which public contribution was collected), sanitation cess and water cess. The Sikkim Panchayat Act, 1965 also provided reservation for minorities. In 1982, a new Act was passed for decentralising work at district levels. This Act envisaged the constitution of zila panchayats at the district level.

Sikkim ushered in a new age of decentralisation when it enacted the Sikkim Panchayat Act in 1993 (notified in October 1993). The Act continued the two-tier system of panchayati raj – zila panchayat at the district level and gram panchayat at the village level. Under the Act, gram panchayats have the authority to levy taxes and fees. The State adheres to the duties cast by the constitution, viz., periodic holding of local elections, bringing out enabling legislations for the transfer of funds, functions and functionaries, constitution of State Finance Commission, etc.

There are four zila panchayats and 176 GPUs in Sikkim. The 176 GPUs include two traditional institutions of self-governance at Lachung and Lachen, known as Dzumsas. Dzumsas are deemed to be GPUs for the purpose of Sikkim Panchayat Act, 1993 and continue to exercise their traditional powers and functions in addition to those of GPUs.

The State has also implemented the 74<sup>th</sup> Constitutional Amendment Act with the setting up of ULBs and the enabling legislation, Sikkim Municipalities Act, 2007. The State has adhered to all the provisions of the 74<sup>th</sup> Amendment Act. Though the Sikkim Municipalities Act was enacted in 2007, ULBs were formed only in 2010-11. Sikkim has three categories of ULBs, namely, municipal corporation, municipal

### Sikkim At A Glance



A state in the north-east of India, sharing borders with Bhutan, Nepal and Tibet

*Total area:* 7,096 square km, which constitutes 0.22% of the total geographical area of India

*Forest cover:* 47.8%

*Population:* 6.1 lakh, unevenly distributed

*Rural population:* 4.5 lakh (75%)

*Population density:*

–East Sikkim: 290 persons/square kilometre, divided into 3 sub divisions

–South Sikkim: 196 persons/square kilometre, divided into 2 sub divisions. Smallest district of

council and nagar panchayats. There is one municipal corporation, one municipal council and five nagar panchayats in Sikkim.

**Table 2.1**  
**Local Governance Bodies in Sikkim**

District	Rural Local Bodies		Urban Local Bodies		
	Gram Panchayat Unit	Zila Panchayat	Municipal Corporation	Municipal Council	Nagar Panchayat
North District	22	1	-	-	1
East District	50	1	1	-	2
South District	47	1	-	1	1
West District	55	1	-	-	1
<b>TOTAL</b>		<b>4</b>	<b>1</b>	<b>1</b>	<b>5</b>

*Source:* Data collected from RMDD and UDHD, Government of Sikkim

One of the remarkable achievements of the Sikkim state government is the degree of decentralisation of power in rural areas. Power has been transferred to villages through panchayats, to make the people partners in finalising schemes and implementing them at the grassroots level. Sikkim has routinely been acknowledged as the best state in the country in the category of smaller states for its outstanding performance in strengthening and developing PRIs. The State government has adopted a strategy that mixes decentralisation of power, people's involvement and benefit-centric activities. One of the landmark decisions taken by the State government to rejuvenate PRIs was to ensure that villagers are totally involved in the processes that affect them and their future. Responsibility for primary schools, health centres, libraries, community information centres and small scale irrigation projects have been transferred to panchayats. Local problems are resolved through panchayats and NGOs, and training workshops are organised to increase the expertise of villagers.

Since the process of empowerment began, Sikkim has sustained efforts to make panchayats effective institutions of local governance through training of elected members, providing them funds for development, and setting up various supporting bodies and institutions such as the State Election Commission (SEC), State Finance Commission (SFC), and Block Administrative Centres (BACs, subsequently renamed Gram Bikash Kendras), District

Planning Committees (DPCs), Social Audit-cum-Vigilance Committees and Gram Planning Forum (GPF).

One of the indicators of progress made by Sikkim in local self-government is the various national awards conferred to the State for transferring power to the people. Sikkim was judged the 3rd Best State in Panchayati Raj in 2006-07, 2nd Best State in Panchayati Raj in 2009-10 and 3rd Best State in 2010-11 by Ministry of Panchayati Raj, Government of India.

### **2.3 District Planning Committees in Sikkim**

Chapter XII of Sikkim Panchayat Act, 1993 (amended 1995) establishes the constitution of DPCs in every district. The Act lays out the membership of the DPC. DPCs should comprise of adhyaksha of the zila panchayat; members of the legislative assembly of all the assembly constituencies in the district; three members of the zila panchayat besides the adhyaksha, which shall include one from the nagar panchayat; and an economist/senior administrator appointed by the State government. The District Collector or District Development Officer-cum-Panchayat Officer is the designated member secretary of the DPC, and the zila panchayat adhyaksha is the Chair.

The Act emphasises that the DPC shall consolidate the plans prepared by gram panchayats, the zila panchayats and nagar panchayats in the district and prepare Draft Development Plans for the whole district. Every DPC shall, in preparing the Draft Development Plan:

- (a) have regard to:-
  - (i) matters of common interest between the panchayat and municipalities including spatial planning, sharing of water and other physical and natural resources, the integrated development of infrastructure and environment conservation.
  - (ii) extent of the type of available resources whether financial or otherwise.
- (b) consult such institutions and organisations as the Government may, by order, specify.

The Act also says that the Chairperson of every DPC will forward the development plan, as recommended by the DPC, to the State government for consideration, approval and implementation.

## 2.4 Progress of decentralised planning in Sikkim

Sikkim has been more intensively involved in decentralised planning since 2006-07, when the State government notified the formation of GPFs.<sup>3</sup> GPFs add to the capacity of local governments to make good plans. The GPF is the most important forum in the decentralised planning system and has been playing a creative role. The notification also speaks of the working mechanism which entails formation of working groups, comprising experts and officials in different sectors/areas/departments.

Changes have been made in the decentralised planning process in Sikkim based on Para-4 of the letter issued by Ministry of Finance,<sup>4</sup> which gives guidelines for the utilisation of grants recommended by 14<sup>th</sup> CFC. On the basis of this, the Ministry of Panchayati Raj issued a model guideline for decentralised planning in gram panchayats.<sup>5</sup>

Both these letters relate to the panchayat planning process and allow for different models and innovations that are locally appropriate and cost effective. It argues that a locally generated plan would also be the only way to use untied resources efficiently and accountably. This helps transform gram panchayats into institutions of local self-governance and to cement the gram panchayat's identity as a development institution. It is expected that the overall process of participatory planning during preparation of GPDPs will:

- Improve service delivery
- Enhance citizenship
- Motivate volunteerism
- Create space for an alliance of people's institutions and groups
- Improve governance at the local level

## 2.4 GPDP and decentralised planning in Sikkim

In light of the recommendations of the 14<sup>th</sup> CFC, the Government of Sikkim initiated the process of GPDP preparation with an evocative name: 'Aafno Gaon Aafai Banau'. The programme name was coined by the honourable Chief Minister of Sikkim to instil a sense of ownership, pride and responsibility amongst the citizens of the state.

The guidelines issues by RMDD (as the nodal department for GPDP preparation) suggests that GPDPs should ideally match peoples' needs and priorities with available resources, and additionally mobilise local resources through a fair, inclusive, transparent and

<sup>3</sup> vide Notification No. 50/RM&DD/P, dated 19/08/2006

<sup>4</sup> vide O.M. No. 13(32)FFC/FCD/2015-16 dated 8 October 2015

<sup>5</sup> vide letter No. M 11015/249/2015-DPE, dated 4 November 2015. Ministry of Rural Development has also issued guidelines vide D.O. No. J-11016/13/2015-RL dated 5th August 2015 for convergence of resources which are also to be kept in mind while preparing gram panchayat level plans.

participatory process. The focus should be on local developmental issues, local perception of need and priority, local analysis of problems and solutions, and local resource management – all within a collective local vision based on the principle of Antyodaya.

In Sikkim, each gram panchayat is supposed to promote 5-7 working groups, depending on the requirements of the panchayat. These working groups are expected to cover all the issues that the gram panchayat wants to address. The State has also suggested some thematic areas for working groups:

- Agriculture, animal husbandry and other activities
- Forestry and forest related activities
- Infrastructure development including drinking water, roads, sanitation, solid and liquid waste management, crematorium shed, street lights and playgrounds
- Non-farm employment generation including industry, tourism and other activities
- Health and education
- Poverty alleviation and welfare of weaker sections including women, Scheduled Tribes, children and the elderly.

The GPF has also been restructured.<sup>6</sup> The GPF now comprises representatives from the following agencies –

- 1) Chairman: Panchayat President of the GPU
- 2) Co-Chairman: Zila Panchayat Member
- 3) Member Secretary: Rural Development Assistant (RDA)/Village Administrative Assistant (VAA)
- 4) Members:
  - i. All elected representatives of the gram panchayat/ward
  - ii. Line department officials
  - iii. Assistant Engineer
  - iv. Panchayat Inspectors
  - v. Ex-panchayat members and retired government servants who volunteer
  - vi. NGOs/CBOs/SHGs and individuals who have some knowledge and show keen interest in the developmental activities of the GPU

According to the same notification, the Member Secretary (RDA/VAA) of the GPF will also play the role of plan coordinator, and the Member Secretary is responsible to write the plan document and to make the budget in consultation with other members of the GPF. The guidelines suggest that the facilitating team will actually be working at the village/ward level (household level), conducting Participatory Rural Appraisal (PRA), collecting data and doing

<sup>6</sup>Notification No. 01/RMDD/P dated 19-5-2016 of RMDD

the situation/need analysis. It is clearly mentioned in the guidelines that in order to do the PRA, secondary data will be provided by all the heads of line departments to the BDO before conducting the PRA. Further, with regard to the needs of the community, such as creation of community assets, the proposal will first be placed before the gram sabha and reflected in the plan document.

These guidelines emphasise that it is very important to assess the natural and human resources within a gram panchayat, besides identifying the felt need in the gram sabha, before preparing the GPDP. This will help in making optimal use of resources vis-à-vis the aspirations of the people. The approach to planning has to be to secure a judicious blend of local need with available local resources. The planning exercise ought to comprise a five year perspective plan and preparing annual plans that define and prioritise the areas and schemes from the perspective plan. The perspective plan should capture the overall picture of the panchayat and allow people to understand what planning and governmental funding holds for them over the next five years. Once a perspective plan is prepared, the annual action plan must be drawn from it. It should be possible to easily modify the annual plan within the overall perspective plan in case there is a need to make a correction.

The State government also formed a Task Force at the state and district levels,<sup>7</sup> consisting of the following members:

<b>State level</b>	<b>District Level</b>
<ul style="list-style-type: none"> <li>– Chairperson: Chief Secretary</li> <li>– Members: Heads of all line departments</li> <li>– Member Secretary: Director, Panchayat</li> </ul>	<ul style="list-style-type: none"> <li>– Chairperson: District Collector</li> <li>– Members: Heads of all line departments in the district</li> <li>– Member Secretary: ADC (Development)</li> </ul>

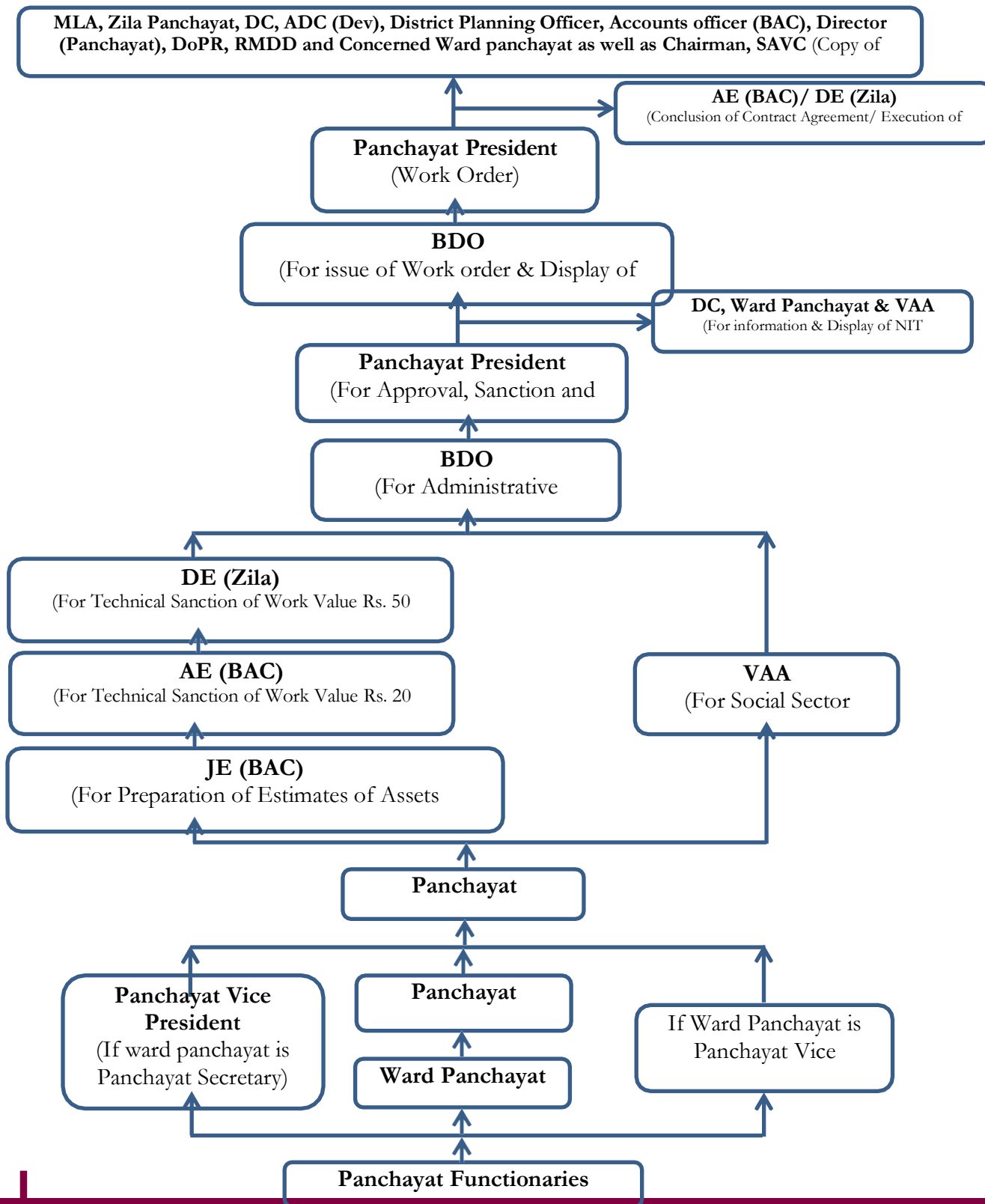
The Circular also suggests organising half-yearly meetings of Task Forces to review the progress of the GPDP in the district and state.

<sup>7</sup>Circular No. 277/RM&DD/P dated 17 October 2015 of RM&DD, GoS



Chart – 2.1

Procedure for Processing of Gram Panchayat Proposal under GPDP



### Chapter III

#### LOCAL PRIORITIES AND LOCAL DEVELOPMENT PLANS

##### 3.1 Financial status of Sikkim

Before making an assessment of local priorities, an understanding of the overall financial status of Sikkim gives an idea of the resource envelope available for the districts. Resource envelope is created by grants from the government, except in cases like periphery development programmes of industries/mines. Table 3.1 shows the Gross State Domestic Product (GSDP) of Sikkim at constant prices. Sikkim's State Domestic Product has been recording a healthy growth since 2011-12.

**Table – 3.1**

##### Gross State Domestic Product and Per Capita Income

(at current and constant prices) (Rs in lakhs)

Year	AT CURRENT PRICES		AT CONSTANT PRICES	
	GSDP	Per Capita (GSDP)	GSDP	Per Capita (GSDP)
2011-2012	1116510	181842	1116510	181842
2012-2013	1233842	198686	1142121	183916
2013-2014	1386190	221083	1211405	193207
2014-2015*	1520933	240274	1288249	203515
2015-2016**	1663678	259950	1372154	214399

*Source:* Department of Economics, Statistics, Monitoring and Evaluation; Government of Sikkim (website, visited in June 2017)

The GSDP in 2014-15 and 2015-16 grew at a reasonable rate of 6.34 and 6.51 per cent respectively. The per capita income of the state, which was Rs. 30,727 in 2004-05 has increased substantially to Rs. 2,59,950 in 2015-16 at current prices. The major socio-economic indicators for the State have also improved significantly. The poverty ratio has declined to 8.19 per cent as compared to all-India average of 21.92 per cent in 2011-12.

The composition of the GSDP shows that service sector contributes about one-third of the GSDP, but the manufacturing sector continues to be the mainstay of the state's economy. The agriculture sector contributes about 7 to 8 per cent of GSDP. The share of the service

sector seems to be growing in the economy. The relative share of the industry sector is driven mostly by manufacturing, construction and power sectors.

Sikkim depends heavily on Central transfers. On average, Central transfers contribute about three-fourths of the State's total revenue receipt. The fiscal deficit was 0.38 per cent of the GSDP in 2013-14; this has increased to 2.98 per cent in 2016-17 (RE) (Table 3.2). The State, considering the flexibility provided by the 14<sup>th</sup> CFC, increased capital spending so that the fiscal deficit remains at the allowed limit of 3.25 per cent. However, the fiscal deficit in the ensuing budget remains below 3 percent of the GSDP.

**Table 3.2**  
**Fiscal Profile of Sikkim: An Overview**

(Percent to GSDP)

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 (RE)	2017-18 (BE)
Revenues	25.72	26.65	28.09	26.88	22.75	28.26	26.22
Own Revenue	4.82	5.98	6.40	5.60	5.89	5.57	5.40
Own Tax Revenues	2.63	3.53	3.79	3.47	3.41	3.42	3.30
Own Non-Tax Revenues	2.19	2.45	2.61	2.13	2.48	2.15	2.10
Central Transfers	20.91	20.67	21.69	21.28	16.86	22.69	20.83
Tax Devolution	5.48	5.66	5.50	5.32	11.24	12.15	12.20
Grants	15.43	15.01	16.19	15.96	5.62	10.54	8.63
Revenue Expenditure	21.76	20.32	21.82	22.07	21.91	24.68	22.72
Interest Payment	1.71	1.61	1.60	1.58	1.58	1.77	1.82
Pension	1.56	1.82	1.88	2.19	2.42	2.62	2.67
Capital Expenditure	5.96	6.86	6.65	6.62	3.96	6.56	6.30
Capital Outlay	5.52	6.83	6.58	6.45	3.81	6.47	6.22
Net Lending	0.44	0.03	0.07	0.17	0.15	0.09	0.08
Revenue Deficit	-3.96	-6.33	-6.27	-4.81	-0.84	-3.59	-3.51
Fiscal Deficit	1.99	0.53	0.38	1.81	3.13	2.98	2.79
Primary Deficit	0.28	-1.08	-1.21	0.24	1.55	1.21	0.97
Outstanding Debt	22.86	22.35	22.14	22.89	23.81	24.52	24.95

(Negative sign indicates revenue surplus)

Source: Medium Term Fiscal Plan (MTFP) for Sikkim: 2017-18 to 2019-2020, Finance, Revenue and Expenditure Department, Government of Sikkim

The budget classification has undergone changes in this fiscal to reflect the Central government's decision to remove plan and non-plan distinction. Removal of plan and non-plan distinction was expected to improve budget planning by giving a holistic picture of spending requirement for the programmes. The removal leaves only revenue and capital expenditure classification (Table 3.3).

**Table – 3.3**  
**Expenditure Profile of Sikkim**

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 (RE)	2017-18 (BE)
<b>Revenue Expenditure</b>	21.76	20.32	21.82	22.07	21.91	24.68	22.72
<b>General Services</b>	6.74	7.14	7.47	7.98	7.48	8.21	8.13
<b>Interest Payment</b>	1.71	1.61	1.60	1.58	1.58	1.77	1.82
<b>Pension</b>	1.56	1.82	1.88	2.19	2.42	2.62	2.67
<b>Other</b>	3.47	3.70	3.99	4.22	3.48	3.82	3.63
<b>Social Services</b>	9.24	7.68	9.21	8.41	7.43	9.00	7.60
<b>Education</b>	4.25	4.17	4.55	4.68	4.54	4.88	4.59
<b>Medical and Public Health</b>	1.02	1.02	1.04	1.20	1.06	1.27	1.15
<b>Other Social Services</b>	3.97	2.49	3.62	3.07	2.09	3.62	2.04
<b>Economic Services</b>	5.50	5.32	4.89	5.40	6.77	7.15	6.66
<b>Assignment to LBs</b>	0.28	0.19	0.26	0.28	0.23	0.32	0.33
<b>Capital Outlay</b>	5.96	6.86	6.65	6.62	3.96	6.56	6.30

*Source for basic data:* Finance Accounts and State Budget 2017-18

The State has maintained revenue surplus, reduced the deficit to stipulated limit, and reduced the debt burden considerably. The revenue surplus continues to be reasonably good, which is budgeted at 3.51 per cent in 2017-18. The revenue surplus depends upon Central grants as own revenue of Sikkim has increased only marginally in recent years. The fiscal deficit has reduced considerably from 4.27 per cent relative to GSDP in 2010-11 and is projected at 2.79 per cent in the budget estimates for 2017-18. Despite the fiscal stress, the State government has remained on the path of fiscal consolidation and continues to allocate resources to priority areas.

The relative share of Central transfers in total revenue receipts of the State has increased from 72.05 per cent in 2008-09 to 74.11 per cent in 2015-16. As percentage to GSDP, the Central transfers have declined due to major decline in grants component. Central transfers are projected to be 20.83 per cent and own tax and own non-tax revenue is expected to be 3.3 and 2.1 per cent of GSDP respectively as per 2017-18 (BE).

**Table – 3.4**  
**Components of Own Tax Revenue**

(Rs. in Lakhs)

S. N.	Particulars	Actuals				Revised Estimate	Budget Estimate
		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
.							

1	Taxes on sales, trade, etc	22708.38	28632.48	28210.06	32572.03	36100.00	38826.00
2	State excise duties	11112.44	12064.01	13136.19	14208.07	14700.00	15500.00
3	Stamp duty & registration fees	534.75	645.47	676.56	851.06	764.46	782.46
4	Motor vehicle tax	1638.22	1852.17	1941.39	2235.70	2400.00	2850.00
5	Land revenue	565.75	339.46	615.53	184.76	688.96	708.96
6	Other taxes	6988.45	8958.38	8174.36	6629.96	8207.56	8283.89
	<b>Total</b>	<b>43547.99</b>	<b>52491.97</b>	<b>52754.09</b>	<b>56681.58</b>	<b>62860.98</b>	<b>66951.31</b>

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

Own revenue receipts were Rs. 851.32 crore in 2014-15, which is projected to grow to Rs. 1095.97 crore in 2017-18. Both own tax and non-tax revenue show a rise in nominal terms. Despite this, own revenue receipt shows a decline relative to GSDP. The own revenue GSDP ratio has gone down from 5.89 per cent in 2015-16 to 5.40 per cent in 2017-18 (BE). Both the components of own revenue (own tax and own non-tax revenue) show a similar trend. However, the total revenue receipt of the State as percentage to the GSDP shows a rise from 22.75 per cent in 2015-16 to 26.22 per cent in 2017-18 (BE) due to expected rise in Central transfers.

Major changes have happened in Central transfers since 2015-16 after the 14<sup>th</sup> CFC recommendations and these changes have affected the State adversely. Share in Central taxes, which was at 5.32 per cent to GSDP in 2014-15, has increased to 11.24 per cent in 2015-16 and is expected to rise further to 12.20 per cent in 2017-18 (BE). This is due to higher devolution recommended by the 14<sup>th</sup> CFC. However, at the same time, the grants amount has suffered a major decline from 15.96 per cent in 2014-15 to 8.63 per cent in 2017-18 (BE). While the 14<sup>th</sup> CFC refrained from making any State specific grants (as was the case with the Tenth Finance Commission), the Central government subsumed the block grants in tax devolution. In nominal terms, while Sikkim's share in Central taxes has increased from Rs. 809.32 crore in 2014-15 to Rs. 2477.78 crore in 2017-18 (BE), the grants amount has declined from Rs. 2426.99 crore to Rs. 1752.56 crore.

The overall own tax revenue of the State has followed a steady growth path. However, revenue from own non-tax revenue seems to be declining in the last few years (2016-17). If the same trends persist, it is expected that own tax revenue should increase considerably during 2020-25. However, as observed from Table 3.5, the non-tax revenue of Sikkim sees a declining trend.

**Table 3.5**  
**Components of Own Non-Tax Revenue**

(Rs. in Lakhs)

Sl. No.	Particulars	Actuals				Revised Estimate	Budget Estimate
		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	Interest Receipts	4600.02	6702.16	6644.03	7252.35	4320.96	5040.75
2	Dividends & Profits	153.20	54.56	87.02	1269.85	100.00	100.00
3	Other non-tax receipts*	25447.13	29402.67	25646.55	32777.23	35187.18	37504.96
	Total	30200.35	36159.39	32377.60	41299.43	39608.14	42645.71

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

Sikkim's own revenue (Table 3.6) is increasing gradually. This marginal increase is due to declining non-tax revenue. The non-plan revenue receipt of the State has an increasing trend. The State's non-plan receipts declined in 2014-15. The non-plan grants from the Government of India have decreased over time. Similarly, special plan scheme grants as well as grants for Centrally Sponsored Schemes have also declined between 2012 and 2016.

**Table 3.6**  
**Sikkim's Total Own Revenue**

(Rs. in Lakhs)

S. N.	Particulars	Actuals				Revised Estimate	Budget Estimate
		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	Own Tax Revenue	43547.99	52491.97	52754.09	56681.58	62860.98	66951.31
2	Own Non Tax Revenue	30200.35	36159.39	32377.60	41299.43	39608.14	42645.71
	Total	73748.34	88651.36	85131.69	97981.01	102469.12	109597.02

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

The Central tax transfers from Government of India show a constantly increasing trend (Table 3.7). This has provided good support to the overall financial situation of the State. With the exception of the share of net proceeds on wealth tax, almost all the components show an increase of more than double in 2016-17 as against the initial share distribution of 2012-13. This confirms that Sikkim relies on financial support from the Central government.

**Table – 3.7**  
**Grants in Aid from Government of India**

(Rs. in Lakhs)

S. N.	Particulars	Actuals				Revised Estimate	Budget Estimate
		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	Non-Plan Grants	26536.93	14826.38	7350.75	7448.90	6595.00	0.00
2	Grants for State Plan Schemes	134520.69	180320.44	173854.41	32157.24	47171.66	1924.01
3	Grants for Central Plan Schemes	103.01	19.50	291.16	123.55	600.00	0.00
4	Grants for Centrally Sponsored Plan Schemes	18966.04	23316.98	57779.91	50902.41	128943.03	15522.10
5	Grants for Special Plan Schemes (NEC)	5113.04	5957.67	3423.53	2787.47	10438.52	0.00
6	Grants for Centrally Sponsored Schemes	0.00	0.00	0.00	0.00	0.00	115091.13
7	Finance Commission Grants	0.00	0.00	0.00	0.00	0.00	6982.00
8	Other Transfer/Grants	0.00	0.00	0.00	0.00	0.00	35737.14
	<b>Total</b>	<b>185239.71</b>	<b>224440.97</b>	<b>242699.76</b>	<b>93419.57</b>	<b>193748.21</b>	<b>175256.38</b>

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

The Government of Sikkim has been able to successfully control its revenue expenditure. Accordingly, the State was able to spend more under capital expenditure. The revenue expenditure, as per Medium Term Fiscal Plan (MTFP) for 2017-18 released by the Finance, Revenue and Expenditure Department (FRED), rose from 27.16 per cent of GSDP in 2011-12 to 22.72 per cent in 2017-18. The capital expenditure as percentage of GSDP declined from 5.96 per cent in 2011-12 to 3.96 per cent in 2017-18.

**Table – 3.8**  
**Central Tax Transfers from Government of India**

(Rs. in Lakhs)

S. N.	Particulars	Actuals				Revised Estimate	Budget Estimate
		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	Share of net proceeds on Corporation Tax	25087.00	25644.00	28258.00	59256.00	71726.00	73176.00
2	Share of net proceeds on Income other than Corporation Tax	15035.71	16891.23	20185.77	41518.00	49850.00	63975.00
3	Share of net proceeds on other Income and Expenditure	0.00	0.00	0.00	0.00	1.00	0.00
4	Share of net proceeds on Wealth Tax	43.00	70.00	76.00	7.00	165.00	-2.00
5	Share of net proceeds on Customs	11605.00	12441.00	13087.00	29851.00	30854.00	34927.00
6	Share of net proceeds on Union Excise Duties	7886.00	8787.00	7390.00	24523.00	35233.00	36508.00
7	Share of net proceeds on Service Tax	10208.00	12434.00	11942.00	31783.00	35501.00	39194.00
8	Share of net proceeds on Commodities and Services	0.00	0.00	0.00	90.00	0.00	0.00
	<b>Total</b>	<b>69864.71</b>	<b>76267.23</b>	<b>80938.77</b>	<b>187028.00</b>	<b>223330.00</b>	<b>247778.00</b>

Source: Finance, Revenue and Expenditure Department, Government of Sikkim



Sikkim continues to face fiscal stress after restructuring of fiscal federal architecture. This is mainly due to the loss of revenue from plan Central grants. However, this is at par with 14<sup>th</sup> CFC recommendations which advised States to anchor fiscal deficit to 3 per cent of GSDP.

**Table – 3.9**  
**Non-Plan Revenue Receipts, Expenditure and Deficit/Surplus**

(Rs. in Lakhs)

S. N.	Year	Non-Plan Revenue Receipts (NPRR)	Non-Plan Revenue Expenditure (NPRE)	NPRR Deficit/Surplus
1	2012-13	155079.56	219889.55	-64809.99
2	2013-14	179734.51	240482.45	-60747.94
3	2014-15	173342.67	259423.16	-86080.49
4	2015-16	290365.66	209106.17	81259.49
5	2016-17 (BE)	312872.81	274029.22	38843.59

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

Despite some odds, the overall financial situation of Sikkim seems to be quite healthy and progressing well. With a rising trend in the State's own tax revenue and positive, rising figures for GSDP, the State Finance Commission gets good space to suggest appropriate and progressive financial allocations and support, which may revitalise institutions of local self-government in Sikkim.

### **Finances of local governments**

An analysis of financial data from PRIs and ULBs suggests that these two sets of bodies depend heavily on funds from Central and State sources. Both gram panchayats and ULBs receive more 'development funds' from Central sources than from State sources. GPUs in Sikkim receive more funds than what they had in the past. The financial and functional situation of zila panchayats and ULBs is stressed. Zila panchayats did not receive funds from 14<sup>th</sup> CFC. Due to lack of emphasis and capacities, own resource mobilisation by GPUs, zila panchayats and ULBs has been rather weak in the State. Table 3.10 provides an overview of Central funds received by PRIs and ULBs in Sikkim.

**Table – 3.10**  
**Funds Received from Government of India for Institutions of Local Self-government in**  
**Sikkim**

(Rs. in Lakhs)

Particulars	Grants from 13th Finance Commission			Grants from 14th Finance Commission		
	Recommended for (2010-15)	Actual released (2010-15)	Actual expenditure incurred (2010-15)	Recommended for (2015-16)	Actual released (2015-16)	Actual expenditure incurred (2015-16)
General Basic Grant	12240.00	10674.95	10745.95	2083.00	1844.00	1843.00
PRIs	12071.00	10674.95	10674.95	1604.00	1604.00	1604.00
ULBs	169.00	71.00	71.00	479.00	240.00	239.00
General Performance Grant	6480.00	1375.16	1370.16	NA	NA	NA
PRIs	6390.00	1365.16	1365.16	NA	NA	NA
ULBs	90.00	10.00	5.00	NA	NA	NA

*Source:* Finance, Revenue and Expenditure Department, Government of Sikkim

### 3.2.1 Finances of GPUs

PRIs in Sikkim do not collect taxes but do collect certain fees and charges, which are negligible. Hence, GPUs completely depend on funds from Central and State governments for their functional requirements. The overall performance of GPUs has been quite good as per the national assessment indicators devised by Ministry of Panchayati Raj. The following tables highlight the funding situation at the GPU level. Table 3.11 includes grants under different agency function heads. Those grants are essentially meant for salaries. Interestingly, salary component is higher than development funds to GPUs.

Table – 3.11

## Funds Transferred from State Government to Gram Panchayats (2013 to 2017)

(Rs. in Lakhs)

S. N.	Particulars	2013-14 (Actuals)	2014-15 (Actuals)	2015-16 (Actuals)	2016-17(RE)
1	Share of State taxes	320.07	358.80	624.89	710.82
2	Special Incentive Grant	8.00	8.00	0.00	0.00
3	Primary Grant	0.00	0.00	0.00	490.94
4	Improvement Grant	0.00	0.00	0.00	210.40
5	Any other grant				
	Assistance to Gram Panchayats				
i)	General Education-Grant in Aid Salaries	25689.53	27049.41	30437.44	28788.15
ii)	Grants to Gram Panchayats for Administrative Expenses	63.32	151.47	88.00	1318.55
	<b>Total</b>	<b>26080.92</b>	<b>27567.68</b>	<b>31150.33</b>	<b>31518.86</b>

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

Details of funds transferred from the Central government to GPUs in Sikkim are provided in Table 3.12. This table provides information about only Central Finance Commission grants. The data for funds from Ministry of Panchayati Raj and other Central ministries was not available in one place at the time of writing this report. This has restricted detailed analysis of Central transfers to GPUs.

Table – 3.12

## Funds Transferred from Central Government to GPUs in Sikkim

(Rs. in Lakhs)

S. N.	Particulars (13th/14th FC Grant)	2013-14 (Actuals)	2014-15 (Actuals)	2015-16 (Actuals)	2016-17(RE)
1	General Basic Grant	1893.38	1973.69	1604.00	2220.00
2	General Performance Grant	0.00	240.91	713.39	291.00
	<b>Total</b>	<b>1893.38</b>	<b>2214.60</b>	<b>2317.39</b>	<b>2511.00</b>

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

As per a State government notification, taxes and non-taxes levied by GPUs in Sikkim are:

- Household tax
- Water and sanitation tax
- Village roads and environment tax
- Sale of tender forms
- Building construction fee
- Other miscellaneous receipts (bank interest; donation; disposal of unserviceable items; charges for use of panchayat ghars/conference halls/other properties, as per panchayat resolution duly approved by gram sabha)
- Trade license fees and hawker license fees
- Fees on melas/picnics in rural areas
- Fees for construction of temporary sheds for any kind of social gathering on public property
- Fees for minor dispute redressal

Neither the fee/tax/charge collection nor data regarding the same appeared to be systematic. Systematisation of tax/fee/charge collection and data regarding the same will significantly help improve own resource generation in GPUs.

The four zila panchayats in Sikkim have an important role to play in the development of their districts. However, it seems that these zila panchayats are not pushing themselves enough to play these stipulated roles. They regularly receive funds from the State government. Zila panchayats received Rs. 267.81 lakh in 2015-16 from the State government, which increased considerably to Rs. 632.66 lakhs in 2016-17.

**Table – 3.13**

**Fund Transferred from State Government to Zila Panchayats**

(Rs. in Lakhs)

S. N.	Particulars	2013-14 (Actuals)	2014-15 (Actuals)	2015-16 (Actuals)	2016-17(RE)
1	Share of State taxes	137.17	154.42	267.81	304.64
2	Special Incentive Grant	5.00	5.00	0.00	0.00
3	Primary Grant	0.00	0.00	0.00	229.61
4	Improvement Grant	0.00	0.00	0.00	98.41
5	Any other grant	NA	NA	NA	NA
6	Assistance to Zila Panchayats	NA	NA	NA	NA
7	Grants to Zila Panchayats for Administrative Expenses	298.60	410.20	912.31	660.00
	<b>Total</b>	<b>440.77</b>	<b>569.62</b>	<b>1180.12</b>	<b>1292.66</b>

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

Unlike the GPUs, funds from the Central government to zila panchayats have reduced significantly (Table 3.14).

**Table – 3.14**  
**Fund Transferred from Central Government to Zila Panchayats**

(Rs. in Lakhs)

<b>S. N.</b>	<b>Particulars</b> (13th/14th FC Grant)	<b>2013-14</b> <b>(Actuals)</b>	<b>2014-15</b> <b>(Actuals)</b>	<b>2015-16</b> <b>(Actuals)</b>	<b>2016-17(RE)</b>
1	General Basic Grant	828.39	947.10	0.00	0.00
2	General Performance Grant	0.00	103.25	201.61	0.00
	<b>Total</b>	<b>828.39</b>	<b>1050.35</b>	<b>201.61</b>	<b>0.00</b>

*Source:* Finance, Revenue and Expenditure Department, Government of Sikkim

The 14<sup>th</sup> CFC report did not make any allocation to intermediate and district tiers of PRIs. In the absence of any compensation from the State (due to lack of funding from Central government), the financial and functional aspects of zila panchayats appear challenging in the near future. Nonetheless, zila panchayats must take on a key leadership role in coordinating development planning with clusters of GPUs.

### **3.2.2 Finances of Urban Local Bodies**

The Sikkim Municipalities Act was enacted by the Sikkim Legislative Assembly in March 2007. However, ULBs were formed in the State only in 2010-11. Sikkim follows a three-tier structure for ULBs, namely, municipal corporation, municipal council and nagar panchayats. The State has adhered to all the provisions of the 74<sup>th</sup> Amendment Act. ULBs in Sikkim are relatively younger and thus still need to mature to manage their functions and finances appropriately.

The Gangtok Municipal Corporation, being the only municipal corporation in the State, significantly influences the financial figures of ULBs. Gangtok and Namchi ULBs, being larger ULBs, consume significant resources from the State's total allocation to ULBs. The other five ULBs are smaller and so financially quite constrained in playing their roles optimally.

As in the case of PRIs, ULB data on own resource mobilisation and other financial data are not systematic.

**Table – 3.15**  
**Funds Allocated by State Government for Urban Local Bodies in Sikkim**

(Rs. in Lakhs)

S. N.	Particulars	2013-14 (Actuals)	2014-15 (Actuals)	2015-16 (Actuals)	2016-17(RE)
1	Share of State taxes	330.60	375.32	223.18	253.87
2	Primary Grant	0.00	0.00	0.00	136.80
3	Improvement Grant	0.00	0.00	0.00	58.62
	<b>Total</b>	<b>330.60</b>	<b>375.32</b>	<b>223.18</b>	<b>449.29</b>

Source: Urban Development and Housing Department, Government of Sikkim

**Table–3.16**  
**Funds Transferred from Central Government to ULBs in Sikkim (2013-17)**

(Rs. in Lakhs)

S. N.	Particulars (13th/14th FC Grant)	2013-14 (Actuals)	2014-15 (Actuals)	2015-16 (Actuals)	2016-17(RE)
1	General Basic Grant	15.00	17.14	239.49	663.00
2	General Performance Grant	3.12	0.00	5.18	196.00
	<b>Total</b>	<b>18.12</b>	<b>17.14</b>	<b>244.67</b>	<b>859.00</b>

Source: Finance, Revenue and Expenditure Department, Government of Sikkim

Table 3.17 provides expenditure details for all seven ULBs in Sikkim. The expenditure is primarily administrative and capital expenditure. Development expenditure is limited and needs to be streamlined.

**Table – 3.17**  
**Expenditure Details of ULBs in Sikkim**

(Rs. in Lakhs)

S. N.	Head of Account	Actuals			
		2012-13	2013-14	2014-15	2015-16
<b>1</b>	<b>Administration Expenditure</b>				
i	Salaries	286.12	296.19	324.40	345.22
ii	Wages	104.36	146.84	155.69	191.83
iii	Pensionary Benefit	43.22	41.90	44.47	43.30

iv	Travel Expenses	21.57	39.69	15.49	17.30
v	Office Expenses	35.91	50.93	46.61	57.05
vi	Honorarium of members	27.61	26.96	32.02	31.84
vii	Computerisation	1.76	1.04	1.02	1.12
viii	Training	9.83	4.81	1.94	6.84
ix	Legal charges	0.00	0.00	2.70	3.60
x	Expenses from discretionary fund	1.06	2.81	1.60	2.20
xi	Other (please specify details)	1.24	1.33	2.14	6.82
	<b>Sub Total-1</b>	<b>532.67</b>	<b>612.49</b>	<b>628.08</b>	<b>707.13</b>
<b>2</b>	<b>Operation &amp; Maintenance</b>				
i	Water Supply	0.02	0.22	0.15	0.01
ii	Buildings	7.77	26.85	47.07	9.37
iii	Street Lighting	0.00	0.00	0.00	0.00
iv	Sanitation/Drainage	4.60	16.32	29.99	13.83
v	Solid Waste Disposal	13.16	10.57	10.40	18.00
vi	Roads	0.28	0.21	0.00	0.00
vii	Minor-irrigation works	0.00	0.00	0.00	0.00
viii	Drinking Water	0.00	0.00	0.00	0.00
ix	Primary Schools	0.00	0.00	0.00	0.00
x	PHC/PHSC	0.00	0.00	0.00	0.00
xi	Motor Vehicles	53.03	63.96	94.02	86.44
xii	Cremation & Burial Ground	0.00	12.95	0.00	0.00
xiii	Community Assets	29.79	17.00	123.61	19.51
xiv	Other	13.83	18.06	12.44	12.70
	<b>Sub Total .2</b>	<b>122.48</b>	<b>166.14</b>	<b>317.67</b>	<b>159.87</b>

<b>3</b>	<b>Capital Expenditure</b>				
i	Water Supply	4.5	0	5.01	0
ii	Buildings	33.9	21.6	60.5	7.4
iii	Roads	3.07	0	0	15.15
iv	Sanitation/Drainage	26.98	3.53	14.2	16.52
v	Cremation & Burial Ground	9.31	12.95	1	0
vi	Community Hall	1.5	0	0	0
vii	Market Shed	7	3.06	6.07	0
viii	Play Grounds/Parks	0	7	0	0
ix	Public Conveniences	4.6	3	9.31	17.83
x	Land Acquisition	0	0	14.41	14.34
xi	Other (Please Specify Details)	65.47	132.33	85.77	182.71
	<b>Sub Total – 3</b>	<b>156.34</b>	<b>183.46</b>	<b>196.27</b>	<b>253.95</b>
4	Expenditure on schemes assigned by Central government	29.36	32.68	36.1	20.93
5	Expenditure on schemes assigned by Central government	19.85	31.04	45.18	24.31
6	Any other (Please Specify)	0	0	0	0

	<b>Total expenditure (1+2+3+4+5+6)</b>	<b>860.7</b>	<b>1025.82</b>	<b>1223.32</b>	<b>1166.19</b>
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*Source:* Urban Development and Housing Department, Government of Sikkim

Urban Local Bodies in Sikkim need to be equipped to cater to the development aspirations of not only their citizens but also tourists, who are visiting the State in increasing numbers. There is great potential for every ULB to enhance its own resources by undertaking innovative entrepreneurial initiatives and by improving the collections of taxes, fees and charges devolved to them. The nodal department (UD&HD) must provide necessary support in this regard, including timely and periodic training to enable ULB officials to carry out their roles efficiently. Even if ULBs wish to access such trainings from the market, they do not have the necessary funds to support this.

### **3.3 Local priorities and plans**

#### **3.3.1 East Sikkim Visioning**

The Vision of Sikkim East district was finalised in a consultative process. Even though the DPC is not very active in the district, PRIA invited its members for the consultation. The other participants included District Planning Officer, ADC (Dev.), executive officers of municipalities, Block Development Officers, Sarpanches and Panchayat Secretaries of GPUs, and officials of RMDD. Almost all participants aspired to make their district a 'Smart District'. In this vision they largely emphasised:

- Broadband connectivity in villages
- Employment generation (dairy farming, poultry, etc.)
- Promotion of tourism (courses for tourist guides, rural tourism, etc.)
- Establishing technical institutions for employable skill building

The status of different sectors, ranging from education to health and sanitation to livelihood, was discussed in the consultation. Participants expressed disquiet about the growing gap between people's aspirations and the reality of public services. Ever-increasing unemployment and forced migration coupled with increasing violence in rural areas were great concerns. The participants unanimously agreed upon faster economic growth with balanced social development. Almost all speakers emphasised, while growth should be accelerated equal attention must also be paid to conserving nature and its resources. Sikkim being a hilly state has a fragile eco-system; any growth intervention must avoid depleting nature.



Envisioning was targeted to ensure that the present pace of growth should improve significantly. However, this should not be at the cost of growth of the agricultural and allied sector. Adequate measures must be taken to conserve valuable natural resources and the environment, including prime agricultural lands. As a step in that direction, the corporate sector was invited to be a development partner in the district. The corporate sector could contribute financially and technically in the development of the district, including protection of ecology. They could also contribute under corporate social responsibility.

Despite best efforts to facilitate a vision expressed in terms of measurable indicators, participants expressed reservations about governmental data available in the public domain. They politely resisted emphasis on measurable indicators and preferred to agree on a 'vision statement'.

The DPC of East Sikkim approved the following vision statement at the district level consultation:

“East Sikkim should be a smart district of state where integrated natural resource management would be the key to rural livelihood. Holistic development of agriculture, horticulture and industrial sector should result in the socio-economic and intellectual well-being of the citizens. The overall development of the district should be towards achieving sustainable growth for sustainable well-being of citizens.”

### **Strategy for realising the Vision**

- Human resource development through appropriate environmental protection, better education facilities, gender-balancing initiatives like focus on girl child education, better health care services, skill development programmes, etc.
- Infrastructure development through better communication network including broadband connectivity, development of the energy sector, development of health care infrastructure, etc.
- Development of agriculture/horticulture sector through irrigation development, introduction of new farming technologies and developed planting materials, promotion of agro-industries, participatory plantation, protection and conservation activities in forestry, etc.

### **Lead sectors identified**

- Infrastructure: telecommunication, roads,
- Agriculture and allied sector: horticulture (vegetables), animal husbandry (dairy)
- Industry: pharmaceutical, floriculture
- Tourism: ecotourism

## 3.3.2 Local Priorities and Plans of East Sikkim

**Table – 3.18**  
**Total of Budgeted Gram Panchayat Plans for East Sikkim**

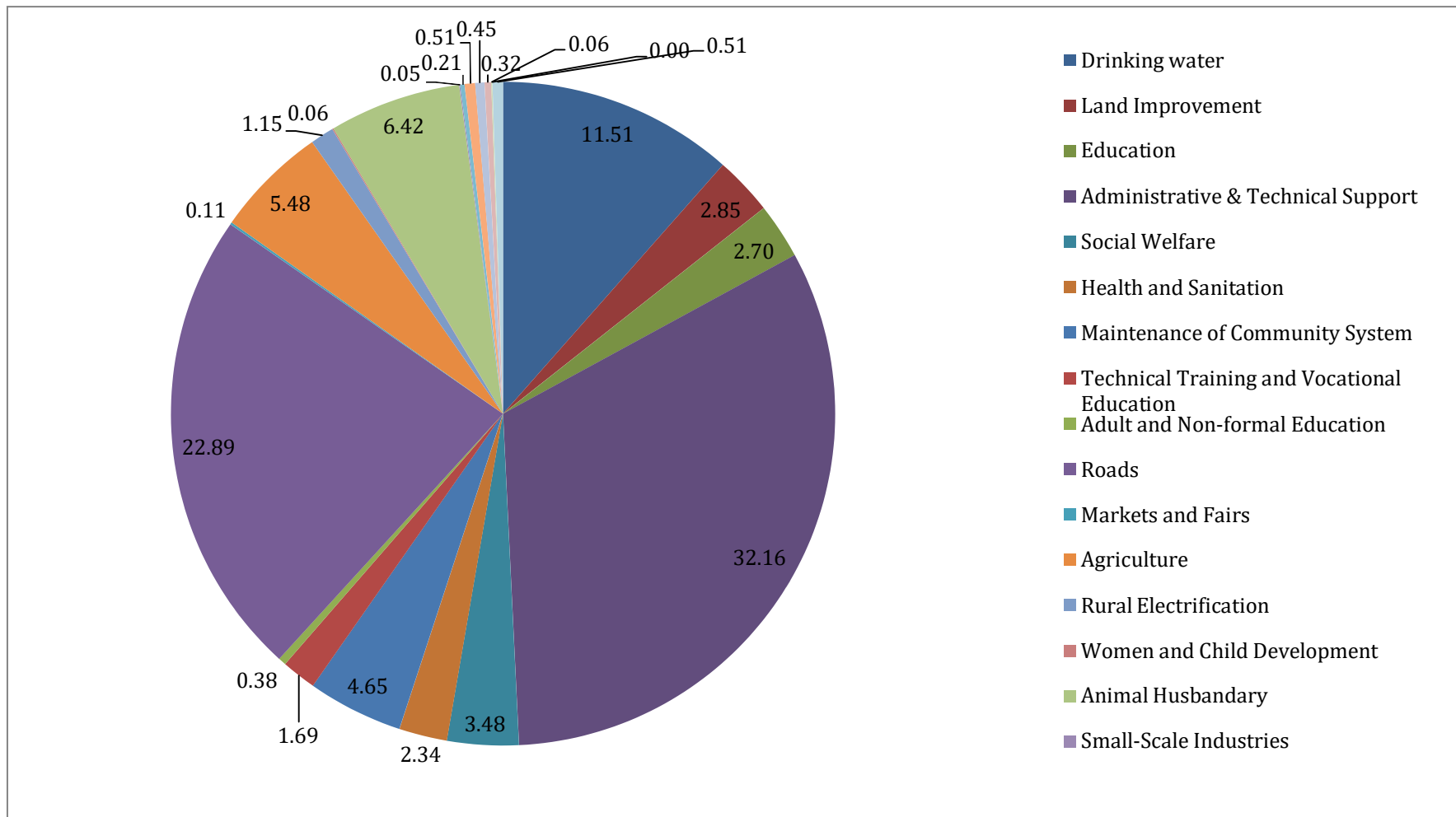
Head	Budget (Rs.)	Percentage
Drinking water	40820649	11.51
Land Improvement	10112587	2.85
Education	9589588	2.70
Administrative & Technical Support	114006805	32.16
Social Welfare	12341948	3.48
Health and Sanitation	8279687	2.34
Maintenance of Community System	16491204	4.65
Technical Training and Vocational Education	5992199	1.69
Adult and Non-formal Education	1351000	0.38
Roads	81153479	22.89
Markets and Fairs	400000	0.11
Agriculture	19418654	5.48
Rural Electrification	4066800	1.15
Women and Child Development	224000	0.06
Animal Husbandry	22774874	6.42
Small-Scale Industries	174000	0.05
Rural Housing	756000	0.21
Cultural Activities	1815000	0.51
Social Forestry and Farm Forestry	1610000	0.45
Minor Irrigation	1137000	0.32
Public Distribution System	206100	0.06
Poverty Alleviation Programme	15000	0.00
Fuel and Fodder	1800000	0.51
<b>TOTAL</b>	<b>354536574</b>	<b>100.00</b>

Source: Field data related to Gram Panchayat Development Plan (2016-17)

- Analysis of GPU plans in East Sikkim shows highest priority to road connectivity and drinking water. Therefore, around 22.89 per cent and 11.51 per cent of their total expenditure has been allocated to these two sectors.
- Total expenses for administrative and technical support have been budgeted at 32.16 per cent of the total of budget, which is higher than the stipulated administrative and technical costs in the guidelines of various Central schemes (10 per cent of total cost).
- Animal husbandry and agriculture are key sectors with demand at the local level.
- The precise disaggregated allocations for different sectors are not available in East Sikkim's district plan provided to PRIA. However, a crude comparison between available district and cumulative GPU plans shows a mismatch in development priorities. The sectoral priorities (as per allocated budget) in the State-prepared District Development Plan are not aligned to the cumulative demands from all GPUs.
- Sikkim has been declared as an Open Defecation Free (ODF) state. GPUs in East Sikkim are spending 2.34 per cent of their total budget on sanitation and health, mostly on maintenance and upgradation of sanitation facilities.
- GPUs cover a variety of activities under the 'Maintenance of Community System' head. This needs to be disaggregated so that expenditure is appropriately and exclusively attributed to different components under this head, such as sanitation, roads, agriculture.

Graph – 3.1

Sector Wise Allocation of Total Resources in East Sikkim



### 3.3.3 South Sikkim Visioning

The Vision of Sikkim South district was also finalised in a consultative process. Similar to East Sikkim, the DPC in this district is not very active. Nonetheless, PRIA invited DPC members for the consultation. Other participants included the District Planning Officer, ADC (Dev.), executive officers of municipalities, Block Development Officers, Sarpanches and Panchayat Secretaries of GPUs.

In the envisioning exercise, participants emphasised the following sectors:

- Establishment of technical institutions for employable skill building
- Animal husbandry, dairy farming
- Broadband connectivity in villages
- Promotion of tourism (courses for tourist guides, rural tourism, etc.)

The ensuing 'vision statement' underlines the need for future growth not to quash the growth of the agricultural and allied sector, and for adequate measures to conserve the valuable natural resources and environment in the district, including prime agricultural lands. As a step in that direction, the corporate sector was invited to be a development partner in the district and to contribute generously to the development of the district, including protection of ecology under corporate social responsibility activities. There has been a positive response to this suggestion and follow up activities have started.

The following vision statement for the district was approved by the DPC during the district level consultation:

“South Sikkim is a progressive district of Sikkim where natural resource management is the key to rural development. Development of industrial sector is linked with agriculture and horticulture and has focus on the socio-economic wellbeing of the people towards sustainable growth.”

#### Strategy for realising the Vision

- Human resource development through appropriate environmental protection, better education facilities, gender-balancing initiatives like focus on girl child education, better health care services, skill development programmes, etc.
- Infrastructure development through better communication network including broadband connectivity, development of the energy sector, development of healthcare infrastructure, etc.
- Development of the agriculture/horticulture sector through irrigation development, introduction of new farming technologies and planting materials, promotion of agro

industries, participatory plantation, protection and conservation activities in forestry, etc.

### Lead sectors identified

- Industry: pharmaceutical, floriculture
- Agriculture and allied sector
- Tourism: ecotourism
- Road connectivity
- Internet connectivity for communication

### 3.3.4 Local Priorities and Plans of South Sikkim

Table –  
3.19

Total of Budgeted GPU Plans for South Sikkim

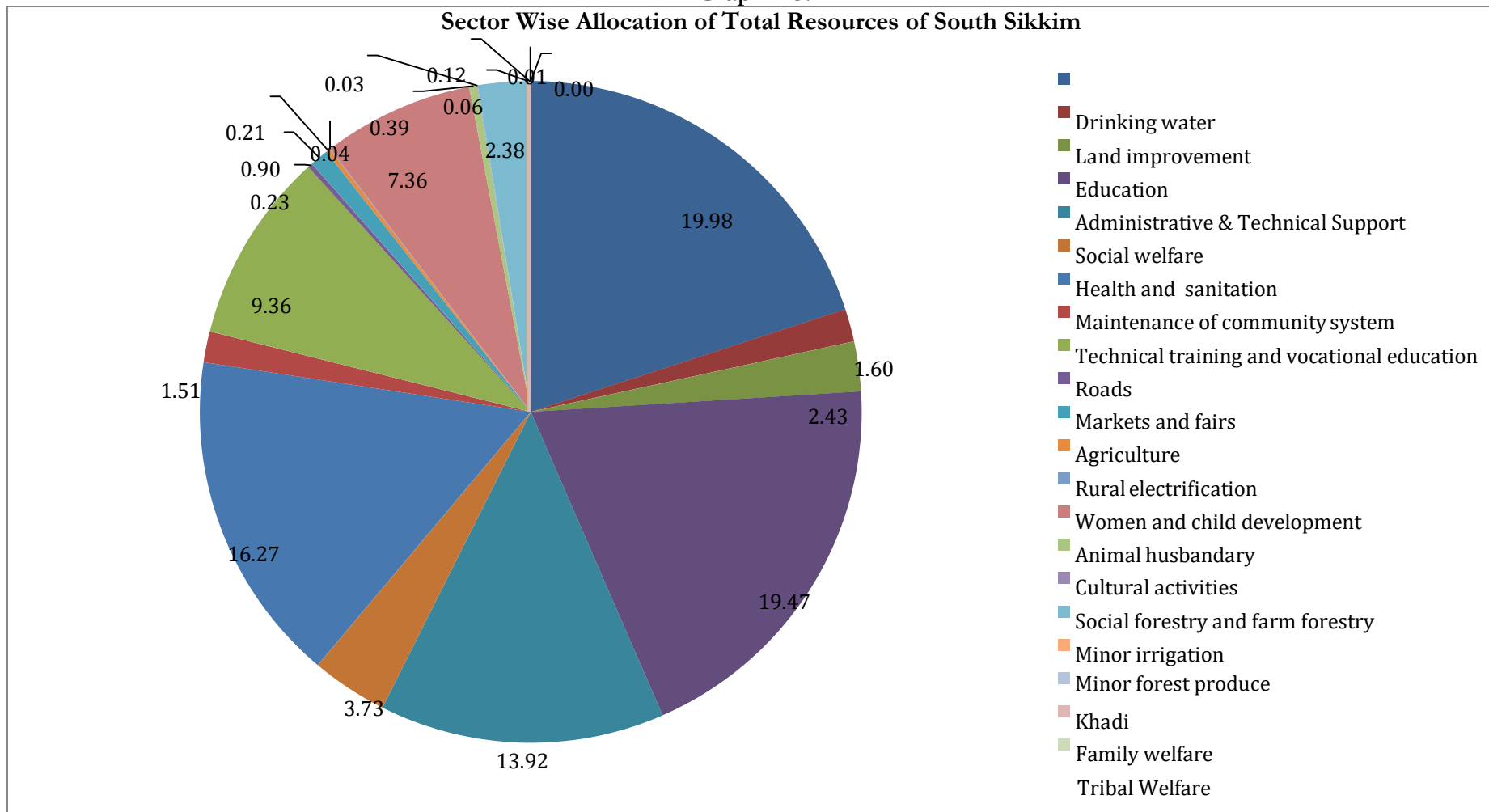
Head	Budget (Rs)	Percentage
Drinking water	34670407	19.98
Land improvement	2781825	1.60
Education	4211857	2.43
Administrative & Technical Support	337,86,774	19.47
Social welfare	24153012	13.92
Health and Sanitation	6476988	3.73
Maintenance of community system	28229643	16.27
Technical training and vocational education	2623306	1.51
Roads	16234261	9.36
Markets and fairs	400000	0.23
Agriculture	1561270	0.90
Rural electrification	366351	0.21
Women and child development	70000	0.04
Animal Husbandry	12779230	7.36
Cultural Activities	680300	0.39
Social Forestry and Farm Forestry	50000	0.03
Minor Irrigation	4121425	2.38
Minor Forest Produce	100000	0.06
Khadi	200000	0.12
Family Welfare	15000	0.01
Tribal Welfare	5000	0.00
<b>TOTAL</b>	<b>173516649</b>	<b>100.00</b>

Source: Gram Panchayat Development Plan (2016-17)

- Analysis of the GPU planning documents of South Sikkim shows that drinking water is the most important need of the local people, and accordingly GPUs of South Sikkim have allocated 19.98 per cent of their total budget for this.
- Maintenance of community system and social welfare are the other important activities for which GPUs in South Sikkim are spending 16.27 per cent and 13.92 per cent of their total budgets.
- GPUs are spending nearly 20 per cent of their budget on administrative and technical support.
- Connectivity is also an important need, for which GPUs of South Sikkim are planning to spend 9.36 per cent of the total budget.

Graph – 3.2

Sector Wise Allocation of Total Resources of South Sikkim





### 3.4 Key challenges in planning and resource mobilisation

Sikkim has witnessed a decrease of 20 per cent in funds in 2015-16 as compared to the availability of funds in 2014-15. This shortfall has occurred on account of the non-consideration of State-specific grants by the 14th CFC and discontinuation of Normal Central Assistance, Special Plan Assistance and Additional Central Assistance. The State government had submitted a memorandum to the 14th CFC with a demand of Rs. 20511.98 crore, whereas only Rs. 14884.39 crore was awarded for the period 2015-20.

Rural connectivity has been a priority of the State government. The state has shown rapid progress in the construction of rural roads. Till 31 December 2015, 1209.05 km out of total 1415.78 km roads planned under Rural Connectivity Roads Stage I (new cutting) had been completed. Under Stage II carpeting works of 218.47 km had been completed (out of a sanctioned 832.33 km). The remaining 613.86 km was proposed for completion in 2016-17. In 2016-17, a sum of Rs. 53.51 crore was earmarked for this. Since NH-10 (from Rangpo to Gangtok) and NH-310 (from Bojhoghari to 3rd Mile Check Post) comes under East Sikkim, it is expected that the district will receive nearly Rs. 20 crore under the connectivity programme.

Both East Sikkim and South Sikkim have an agrarian society, with rural economic activity focused on rearing of livestock. The districts have very limited resources to contribute. The State government made a provision of Rs.78.20 lakh (as non plan head) for distribution of milch animals in 2016-17. But district officials were not clear how much of this allocation would come to East Sikkim district.

The State government has emphasised connecting all GPUs in Sikkim with fast and reliable broadband connectivity; rolling out Government-to-Citizen (G-to-C) centric services; and creating electronic platforms and kiosks for making these services available to the citizens of Sikkim at their doorstep in a timely, reliable and efficient manner. The State government has plans to attract investments in IT and IT Enabled Services (ITES), with a view to making Sikkim the IT 'hotspot' of the country. The State government intends to make Sikkim the first 'smart' state of the country, and firmly establish Sikkim's reputation as a state which leads by example and one that is always ahead of the curve. Besides providing mobile technology like m-Tourism, online payments, e-waste collection, inner line permit tracking system, e-tendering and e-procurement, efforts are also being made to provide Wi-Fi services in all major

towns. However, to achieve all this, the State and for that matter the districts are heavily dependent on Central assistance.

## **Chapter IV**

### **CONSOLIDATING LOCAL PLANS AT DISTRICT LEVEL**

Following the directive from Ministry of Panchayati Raj, Sikkim is focussing on preparation of gram panchayat level annual development plans. Preparation of GPDPs has become a condition for release of grants during 2015-20. The State has initiated 'Aafno Gaon Aafai Banau' to target the poorest of the poor in terms of quality services and creation of livelihood avenues for long-term socio-economic impact through gram panchayat level planning.

The decentralised planning process and its outputs (the GPDPs) have shown improvement at the GPU level. Unfortunately, these people-centred plans lack horizontal and vertical linkages, which is an impediment to their implementation. The GPU prepares the plan, but is unsure of its implementation (both in letter and spirit) due to lack of resources and capacities for executing planned activities. Moreover, as average population of GPUs in Sikkim is small, the question of 'economies of scale' is often raised. For example, many GPUs in Sikkim have realised the need to improve drinking water supply in villages. Responding to the requirements of the people, drinking water has been included in their plans. But a single GPU cannot achieve supply of piped safe drinking water on its own. It requires pooling of resources, coordination and working together with a cluster of GPUs and related line departments. This proves to be difficult at the local level. On top of the challenges GPUs face in preparing plans due to lack of capacities, they begin to bear the political cost of non-implementation of their plans prepared with the participation of communities. Implementation is also hampered by the current institutional directives and administrative arrangements, which do not provide sufficient opportunities for consolidation and integration of plans at GPU, zila panchayat, ULB and line department levels.

#### **4.1 Challenges in administrative procedures**

##### **4.1.1 Coordination of GPDP**

A major challenge in decentralised planning is related to administrative procedures. In Sikkim, these are created by RMDD. The department has issued guidelines for GPDP preparation at the GPU level and deputed an Additional District Collector

(ADC) to coordinate GPDP preparation at the district level. The GPDPs are finally submitted to RMDD through respective BACs and ADCs (Dev).

As per a 2016 notification<sup>8</sup> of the Department, it is the responsibility of the GPF<sup>9</sup> to finalise the plans of GPUs in the prescribed formats and get the plan approved by its gram sabha. The approved plan needs to be submitted to the DPO. The DPO will then submit the plan to the DPC. However, in actual practice, it was found that the RDAs (and Presidents of GPUs) are submitting plans to the BDOs, who in turn submit the same to their ADC (Dev). In this reality, plan documents are not submitted to the DPO or for that matter to the DPC.

#### **4.1.2 Non-compliance with planning calendar and review processes**

In discussions, officials informed that the State issued a planning calendar in 2006-07. Timelines related to decentralised planning are clearly mentioned in the calendar. This calendar however has not been revised in a decade. When asked, officials assumed the 2006-07 notification of the planning calendar is still valid. In actual practice, no calendar is followed, even though the 2006-07 calendar exists. Unless the government issues a fresh calendar every year, to be followed by GPUs, zila panchayats, line departments and other bodies involved in integrated planning, the planning process cannot improve.

As per a Central government notification issued in May 2016, states are required to undertake bi-monthly review of progress of GPDPs.<sup>10</sup> However, since there is no monitoring mechanism issued by the Central government, there seems to be some confusion on this issue in Sikkim, as revealed in one of the district consultations. Officials are also not aware of the district level review forum. Interestingly, there is a letter issued by RMDD, which has names of various line department officials, and not zila panchayat officials who are the elected representatives of the people, as nodal officers for planning.<sup>11</sup> It mentions the district level forum, without giving the names of the members of the forum.

<sup>8</sup> Notification No. 01/RMDD/P dated 19-5-2016 of RM&DD, Govt. of Sikkim.

<sup>9</sup> The GPF is expected to add to the capacity of local governments to make good plans. It should assist the local government in developing a vision of what it should achieve; a vision based on experience, expertise and field reality as revealed from the analysis of data.

<sup>10</sup> DO Letter of Ministry of Panchayati Raj, GoI No. N-19011 (16)/3/2016 – e-Panchayat, dated 17 May 2016.

<sup>11</sup> When the issue was raised in one of the district level workshops, PRIA asked for a copy of this letter, but never received a copy till the end of the research.

### **4.1.3 Planning in Urban Local Bodies**

Recommendations of the 14<sup>th</sup> CFC are applicable for both PRIs and ULBs. Accordingly, the letter issued by the Ministry of Finance emphasises an annual planning process through these bodies. The RMDD did issue a notification for PRIs. No such notification has been issued for planning to be undertaken by ULBs by the UD&HD. RMDD, as the nodal department for DPCs, whose mandate includes planning in ULBs, has also not issued any such notification. As a result, ULBs in Sikkim do not undertake a planning exercise to prepare Municipal Development Plans.

### **4.2 Non-integration of plans**

GPU plans are being prepared, as per the RMDD notification. However, neither ULBs nor zila panchayats prepare Zila Panchayat Development Plans (ZPDPS) and Municipal Development Plans (at the ULB level). As a result, DPCs cannot consolidate MDPs and ZPDPS into the District Development Plan. Non-integration of plans results in lack of horizontal and vertical linkages, which further impedes implementation at the local level.

### **4.3 Challenges related to capacities**

#### **4.3.1 Limited capacities in GPUs for participatory data collection**

As per guidelines issued by RMDD, GPUs in Sikkim are supposed to prepare GPDPs by considering four key components – human development, economic development, development of civic amenities, and development of local environment. Before the actual plan preparation begins, PRA needs to be conducted in every GPU to generate data on current status and needs on these four components. A perspective plan and GPDP needs to be prepared based on this participatory data generated with communities.

Both GPUs and panchayat officials lack the capacities to carry out a PRA, and to do so every year before GPDP preparation. Limited support is provided by trained officers of the State government, who are exclusively deputed when the PRA is undertaken in every GPU. Many GPDPs are then being prepared without assessing the current needs of the people it is meant to benefit. Such plans are not realistic to meet the future aspirations of communities.

GPUs also lack project formulation and project consolidation capacities.

### **4.3.2 Limited technical support to GPUs**

Capacity gaps can be partly overcome with external technical guidance and support. In the block level consultations, we learnt that the Panchayat Inspector (PI) is supposed to provide assistance to the GPUs on PRA and other technical aspects of planning during GPDP preparation. However, the posts of PIs are vacant in most BACs. This means GPUs are bereft of support from PIs. There are Assistant Engineers (AEs) in every BAC, but these AEs are not trained in planning methodologies and hence cannot support GPDP preparation. Recently, the State government has appointed Junior Engineers (JE) in almost all GPUs. But these JEs too have not been appropriately trained to facilitate the planning exercise in GPUs.

### **4.3.3 Challenges related to functioning of GPFs**

As notified by RMDD, the GPF is supposed to be a body which provides support to GPUs on PRA, problem identification/prioritisation, resource mapping and planning, among others. But it appears that GPFs are not functional in many areas. Panchayat Development Assistants (PDAs) and Panchayat Account Assistants (PAAs) are officially part of the GPF. As they are posted at GPU level, the perception is that the GPF is functional since two members are technically always available to assist in plan preparation. However, PDAs and PAAs play a limited role in GPDP preparation. PDAs primarily support GPUs in implementing schemes, while the role of PAAs is limited to maintaining accounts.

## **4.4 Uncertainty of resource allocation**

In the planning process observed during this action research, most GPUs had developed their plans considering the resources available to them under the 14<sup>th</sup> CFC or from the State Finance Commission. Some GPUs did include resources under schemes like Pradhan Mantri Awas Yojana (PMAY), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), and National Rural Drinking Water Programme (NRDWP) in their GPDPs. But these were estimates of resources based on possible allocations. In the absence of assured estimates for resources from line departments, the GPUs plan with considerable uncertainty. The resulting gaps in expected and actual resources at the GPU level makes it difficult for GPUs to implement their plans.

## Chapter V

### **REARRANGING CURRENT INSTITUTIONAL MECHANISMS AND PROCESSES FOR EFFECTIVE DECENTRALISED PLANNING**

Ministry of Panchayati Raj, Government of India and RMDD, Government of Sikkim have made preparation of the GPDP at GPU level mandatory. RMDD provides all possible support to GPUs to ensure timely and quality preparation of the plans. While these steps are necessary, they are not sufficient. There is an urgent and important need to promote integrated district development planning in Sikkim. Zila panchayats and ULBs also need to prepare plans. Accordingly, DPCs should be appropriately capacitated to consolidate all these plans in preparing the draft District Development Plans.

Successful support to panchayats for preparation of annual development plans is heavily dependent on the willingness of the Central/State governments to take action on its intentions. For example, Ministry of Panchayati Raj appointed Technical Support Institutions (TSIs) to facilitate decentralised planning in panchayats in more than 200 BRGF districts between 2007 and 2012. More than 90 per cent of these TSIs were 'parachute consultants' who knew less about panchayats and more about writing reports. Most plans were made in consultants' offices, not in the panchayats with the people. As a result, planning at the panchayat level remained unsustainable.

PRIA's experience from other states emphasises that capacities of the panchayat as an institution to undertake planning needs to be built, if the planning process is to become sustainable. External technical support in preparing plans will always be limiting in its impact. Local human and institutional capacities for plan preparation and implementation need support and strengthening on a long-term basis. Lack of internal capacities and institutional support, as discussed in chapter IV, has resulted in GPDP preparation in Sikkim facing challenges in becoming more effective and integrating with the needs of the people.

Steps can be taken to address the difficulties currently being faced in institutionalising district level processes in Sikkim. Changes in structures and processes of decentralised planning and implementation will improve sustainability of bottom-up participatory planning.

### **5.1 Local development planning means district-downwards, bottom-up planning**

First and foremost, Government of Sikkim (in consultation with the Central government) should agree on a non-negotiable definition of local participatory development planning. This non-negotiable definition must include processes and outputs related to GPDPs, MDPs, ZPDPs and District Development Plans. A standard, panchayat-centric definition by government will ensure that other line departments do not undertake parallel planning for their schemes in the same panchayat area. Line departments will by necessity have to follow panchayat plans, because the local plans will be the guidelines for undertaking any activity in a panchayat.

Taking GPUs as a stand-alone institution for development planning is neither (constitutionally) desirable nor socio-economically viable. GPDP preparation must follow integrated planning at all levels (GPU, ULB and zila panchayat). Consolidation of GPDPs, MDPs and ZPDPs by the DPC to prepare a draft District Development Plan must not remain a mere theoretical undertaking. The State government needs to notify the planning and consolidation process and planning calendar for preparation of GPDPs, MDPs, ZPDPs and District Development Plans.

### **5.2 Nodal department for district development planning and operational rules**

Though district development planning is a statutory process, current institutional arrangements in Sikkim do not enable rural-urban and micro-macro integration. The RMDD and UD&HD exclusively and independently deal with rural and urban development issues. This departmental arrangement needs some way to integrate rural-urban development issues to ensure a holistic approach to district planning. The State government can designate a Department of Planning as the nodal institution for district development planning. The State Planning Department should work closely work with RMDD and UD&HD to initiate and complete the decentralised planning process in rural as well as urban areas. This will also help link local planning processes with state level development planning.

The State Planning Department in consultation with RMDD, UD&HD and other expert institutions must prepare operational rules for every planning body with clear-cut division of responsibilities and accountability of officials and institutions involved in

the planning process. This set of operational rules must also be made available in Nepali to every planning body.

### **5.3 State Planning Coordination Committee**

An independent State Planning Coordination Committee (SPCC) should be constituted by the State government. This would essentially be a coordinating body comprising heads of the (proposed) Planning Department, RMDD, UD&HD, NIC, DPC Chairpersons, District Collectors and some non-official independent members with credible experience in decentralised planning. The SPCC should be chaired by the Chief Secretary or the Development Commissioner. The SPCC must review and ensure:

- (i) Preparation and implementation of state wide planning calendar
- (ii) Review of information management to support planning
- (iii) Monthly review of progress of planning in the districts, on the basis of monthly progress report submitted by local bodies
- (iv) Ensure accountability of all institutions for quality completion of development planning process at all levels

### **5.4 District Planning Committees**

The DPC in every district must be constituted appropriately and immediately. Guidelines provided for integrated development planning (prepared by the Planning Commission of India) could be helpful in constituting DPCs. Government of Sikkim has already defined statutory composition of DPCs. This must be followed in letter and spirit. The terms of references of office bearers, including Chairperson, must be notified and popularised. Role as DPC Chairperson must be defined substantially differently from her/his role as Chair of the zila panchayat. ADC (Dev.), DPO and other development related officials at district, ULB and block levels must be made accountable to their respective DPCs for their planning roles. The roles, responsibilities and accountability of all DPC members and associated officials must be articulated and explained in a set of operational rules. The DPCs so constituted and responsible should have their offices and secretariat in the zila panchayat offices of each district in Sikkim.



### **5.5 Planning Information System**

Information and data are key for any planning process. This is perhaps one of the biggest bottlenecks in development planning. A planning unit (GPU, ULB, or zila panchayat) is usually not aware of external and internal resources available to it. For example, development funds are routed through different channels – direct transfers to concerned bodies, state treasuries, or funds spent by line department officials under different schemes. Many local governments also generate their own revenues. All these resources, including existing and available human resources, need to be mapped. Taken together, these resources are called the resource envelope available to an institution to help carry out its activities. The mapped data must be made available in one place in the form of a Planning Information System. In an era of fast developing online transactions and e-governance, it should not be a problem to create and make available such a system. All governmental orders, operational rules for planning, guidelines associated with schemes and relevant financial information should be part of this Planning Information System.

The (proposed) State Planning Department in Sikkim could coordinate with finance and other departments to make available this Planning Information System to every planning unit (from village to municipal to district levels). The department could ask state and district NICs to compile and systematise this information. With cooperation from line departments, state and district NICs could easily do this. The State Planning Department in coordination with line departments and NIC must ensure regular updation of these data before the planning cycle begins every year.

### **5.6 Capacity building**

Most GPUs in Sikkim prepare their plans on the basis of PRAs conducted under the guidance of expert external facilitators. Capacities to undertake PRA exercises and situational analysis on their own is severely lacking. The capacities in ULBs, zila panchayats and DPCs are no different. It is very important to build human and institutional capacities and skills in participatory planning, data collection, analysis and convergence. Local bodies need to be aware of the impact of changed external conditions such as Goods and Service Tax (GST), Smart Cities, online transactions and Corporate Social Responsibility (CSR), as relevant to their work. To facilitate the decentralised district planning process, abilities to consolidate plans and to convert the plans into implementable projects are also important capacity inputs required for DPCs, zila panchayats and GPUs.

The State Institute of Rural Development (SIRD) in Sikkim is the designated nodal institution for capacity building of elected representatives and PRI functionaries. But there seems to be no such institutional arrangement for capacity building of ULBs in Sikkim. Similar capacity building arrangements for ULBs is required. SIRD has sufficient space to accommodate a capacity building unit for ULBs, and must support this unit in undertaking capacity building and orientation programmes for ULB staff and elected representatives. These should be completed before the planning calendar starts. SIRD can also create teams of volunteers (former officials, NGOs and former representatives of PRIs/ULBs) to provide additional on-site capacity building during the planning process.

Training institutions, including SIRD, themselves need advance inputs on financial resource generation, governance and financial management, including audits. A separate capacity building fund for this purpose can be created by the State government, so that best capacity building programmes and courses from the market can be made available to officials in Sikkim.

The block plays a very crucial role in development planning in India. However, orientation of block level officials is primarily to implement 'top-down' plans. They are not exposed to the nuances of bottom-up development planning. In Sikkim too there is limited capacity and orientation at BAC level to support a decentralised district planning process. The Panchayat Inspectors in BACs are expected to facilitate the planning process but are not trained or equipped with adequate knowledge to perform this role. Similarly, BDOs are assigned to manage the planning process but are overburdened with other responsibilities.

### **5.7 Rural-urban convergence**

Rural-urban convergence should begin within the block. Like other states, some BACs in Sikkim are located in municipal areas, and with enhanced capacities to facilitate the planning process, they will be able to support integration of rural and urban plans.

While planning in rural areas is reasonably competent, the process of planning in municipal areas is very weak. In most municipalities, it is the responsibility of the MEO to prepare a plan for the town/city. However, MEOs have very limited exposure

and capacities in relation to decentralised planning. They are also over-burdened with various other responsibilities. In light of this, it would be a good start to appoint an official at the BAC level with competencies in planning and an understanding of the complexities of integrating rural and urban development plans. A Block Level Forum could facilitate and promote integration of rural and urban plans.

## **5.8 Planning manuals**

The State government, following the recommendation of the 14<sup>th</sup> CFC, had issued an Implementation Manual for GPDP. The manual lists the procedures to be followed to finalise and implement various proposals made by GPUs in their GPDP. In the light of above recommendations, some changes will need to be made in this manual.

## **5.9 Redesigning planning structure**

Structures at different levels which support and can sustain bottom-up, decentralised planning will need to be redesigned and realigned.

### **5.9.1 Gram Panchayat Forum**

RMDD has created the GPF with well popularised details of its composition and functions. The composition and functions of the GPF need to be revised in light of the current experience of GPDP preparation observed during this action-research study. The GPF must be made accountable to the BDO who should ensure that timely support from the GPF is available to the GPUs.

### **5.9.2 Block Planning Committee**

The Block Planning Committee (BPC) should be instituted as a body at the BAC level. Unlike the DPC, it should be a non-elected and non-statutory body comprising sector specialists and former elected representatives. Sector specialists may be those who have experiential knowledge in facilitating and building capacities at the local level and skills in building multi-stakeholder engagement for integration of plans around common issues. The BPC should be accountable to the DPC through the District Planning Officer.

### **5.9.3 District Planning Committee**

As has been discussed earlier, the DPC should be constituted as per Sikkim's Panchayat Act. The Integrated Development Plan manual of the (erstwhile) Planning Commission has suggested an ideal composition of a DPC. The State government

can review these suggestions and revisit the composition of the DPC in Sikkim to make it more capable in preparing integrated district plans.

The DPC secretariat should be capable of anchoring the planning process and providing continuous support to all planning units in the district. It should also play a coordination role with support agencies such as BPC, NIC and DPOs at the district level. One of the most important roles of the DPC is to prepare a draft District Development Plan. Thus, DPC members must have capacities for multi-level integration and consolidation of plans.

#### **5.9.4 State Planning Cell**

The State Planning Cell (SPC) should be located in the (proposed) State Planning Department. It should provide timely support to the respective DPCs. The SPC can draw experts from different line departments at the state level for information, review and sector support to the DPC. The SPC should coordinate with the SPCC for regular review of progress in plan preparation, both in GPUs and ULBs.

## Chapter VI

### WAYS FORWARD

The decentralised planning process in Sikkim is commendable. Efforts of its local level bodies, especially the GPU, in carrying out participatory planning in face of severe capacity limitations must be acknowledged. It is recognition of their efforts in Sikkim being judged as one of the best states in panchayati raj for several years by Ministry of Panchayati Raj, Government of India.

The process and institutional arrangements in Sikkim create necessary, but not sufficient, conditions for effective decentralised participatory planning in the state. The following recommendations suggest a way forward for the Government of Sikkim to enhance the effectiveness and sustainability of decentralised, people-centred development planning and make better use of the resources being made available directly from the CFC.

- 1) Planning is not realistic, relevant or implementable unless people's needs and the current situation are systematically and soundly reviewed as part of the process. Participants in the discussions organised during this action research suggested a simple change in nomenclature, which would bring attention to the importance of review as part of the planning process – renaming 'Planning Process' as 'Planning and Review Process'. This will highlight the need for reviews at every stage of the process.
- 2) GPDPs should be part of the integrated district planning process along with non-negotiable, time-bound planning processes at zila panchayat level and ULB level. The DPC must consolidate GPDPs, ZPDPs and MDPs to prepare draft District Development Plans, as mentioned in Art 243ZD of the Constitution of India and reinforced in Sikkim Panchayat Act, 1993.
- 3) The proposed State Planning Department can become the nodal department for facilitating the decentralised participatory planning process in Sikkim. It should coordinate with RMDD and UD&HD to ensure timely support from these departments to GPUs, zila panchayats and ULBs in their planning processes.

- 4) The State Planning Department must prepare a planning and review calendar, starting with review of implementation of last year's plan and current context and level of development in GPUs. The planning calendar can start in May with gram sabhas first reviewing progress made in last year's plan. Similarly, zila panchayats and ULBs should also undertake reviews before beginning the next cycle of planning. The GPU level plans should be ready by October. November end should be the deadline for submission of plans prepared by the zila panchayats and ULBs. The DPC should then consolidate and prepare draft District Development Plans in December-January. In the first week of February, all district plans should be available with the State Planning Department for integration into a state development plan for the next financial year.
- 5) An independent State Planning Coordination Committee headed by the Development Commissioner and comprising heads of all line departments must review the progress of planning every quarter. Data from the field must become the basis for this review. The committee must be appropriately empowered so that every department abides by their recommendations.
- 6) All information related to and required for decentralised development planning should be available in a Planning Information System. NIC can be asked to manage this information under the supervision of the State Planning Department. The information should be open and accessible to all officials and all citizens. Updated information on the Planning Information System will also be helpful in monitoring progress of plan implementation.
- 7) Membership of DPCs must be reconstituted and DPCs strengthened with regular capacity building programs. The State Planning Department should recommend to the State government transfer of all district and block level development officials under the control of the DPC. The District Planning Officer, reporting to the Planning Department, must be made CEO of the DPC.
- 8) The strengthened DPC must be supported by Block Planning Committees, who will provide timely and appropriate handholding to planning processes at GPU and ULB levels in that block. The State government can also consider setting up Block Planning Forums to make available local expertise and experience from former officials.
- 9) The existing GPFs should be reorganised to include fewer, but more active, members. In its current composition, it is a very large forum which compromises its functionality. GPF members must include Sarpanch, zila panchayat member,

Panchayat Inspector, Panchayat Secretary and local civil society. The role of the GPF should be to provide technical and linkage support to planning process at the GPU level.

- 10) The State Planning Department and SIRD should embark on a high-quality capacity building programme to improve planning, monitoring and convergence capacities at all levels (panchayat, block, district and state). Reconnaissance of capacity building organisations who have long and appropriate expertise in building capacities for participatory planning and monitoring will be useful in finding appropriate partners. A separate capacity building fund can be created by the State government, so that best capacity building programmes and courses can be made available to officials in Sikkim.
- 11) A Standard Operating Procedure for Decentralised Participatory Planning should be created. The State government must make following these standard procedures (or operational rules for planning) non-negotiable.

## Annexure – 1

## Format to Develop Gram Panchayat Develop Plan

**(Name) GRAM PACHAYAT UNIT<sup>12</sup>****(Aligned with Gram Panchayat Development Plan – GPDP)**Introduction of **(Name)** Gram Panchayat Unit:Basic Profile of **(Name)** Gram Panchayat Unit:

Name of the Panchayat GPU		Demography					
		Total HH		Total Population		Male	Female
Community Composition		ST	SC	OBC (C)	OBC (S)	GEN	OTH.
Population							TOTAL
Poor households	Local	Non Local with voter's ID		Non local not having voter's ID		Total of all Household	
Very poor Households	Local	Non Local with voter's ID		Non local not having voter's ID		Total of all Household	
Total							

<sup>12</sup> Questionnaire for Decentralised Planning in Sikkim (PRIA – 2016-17; Supported by NTII Aayog, GoI and RMDD GoS)



**Demographic Information:**

**Socio-economic profile:**

**Geographic features, economic and natural resources and land use pattern:**

**Basic amenities and infrastructure:**

**(Name) GRAM PANCHCYAT UNIT**

<b>Name of the Gram Panchayat</b>	
<b>Name of Block</b>	
<b>Name of District</b>	

**DEMOGRAPHY**

<b>Name of Gram Panchayat Ward</b>	<b>Total HH</b>	<b>Total Population</b>	<b>Male</b>	<b>Female</b>
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**TOTAL**

**COMMUNITY COMPOSITION**

Name of Panchayat ward	ST	SC	OBC [C]	OBC [S]	GEN	OTHERS	Total
<b>TOTAL</b>							

**DATA ON INSTITUTIONS OF (Name) GPU**

Subject	Indicators	Data Value	Remarks
<b>No. Of Educational &amp; training Centres</b>			
<b>Other Govt. Premises ( mention Names)</b>			
<b>Financial Inclusion</b>			
<b>MGNREGS</b>			
<b>National Social Assistance Programme</b>			

## WARD WISE CURRENT STATUS OF DEVELOPMENT

(Name) Ward

Introduction of (Name) Ward:

Vision/ Mission Statement:

Basic Profile of (Name) Ward:

Table 1 : Basic profile of Ward

Name of the Ward Panchayat								
<b>Demography</b>								
		Total HH		Total Population		Male	Female	
Community Composition		ST	SC	OBC (C)	OBC (S)	GEN	OTH.	TOTAL
Population								
Poor households (Use VDAP)	Local	Non Local with voter's ID		Non local not having voter's ID		Total of all Household		
Total - 10								
Very poor Households (Use VDAP)	Local	Non Local with voter's ID		Non local not having voter's ID		Total of all Household		
Total – 08								

**Socio-economic profile:**

**Geographic features, economic and natural resources and land use pattern:**

**Basic amenities and infrastructure:**

**Mapping of Households (House Number and its Head)**

<b>Sl. No</b>	<b>Names</b>

## Resource mapping &amp; assessing the outcomes of the most beneficial assets/less beneficial assets

Name of GP ward:													
S.N.	Asset Name	Year of const.	Source of fund	Cost of Asset	Ownership [District/Block/Gram panchayat/Line Department]	Asset Types [Movable/Immovable]	Asset category * [e.g. road, land etc.]	Asset sub Category * [e.g. pucca road, kutcha road etc.]	Asset creation mode- Purchase Acquisition Donation Const.	Asset for [General SC,ST]	Coverage Area [Area, office, location of asset/N o of units]	Land mark of assets	Verifiable Outcome [beneficial/less beneficial]**Rank then in scale of 1 to 4

Same Format of Report to be used for both ward level and compilation at GP Level

\*4-Excellent; 3-Very Good; 2-Good; 1-Satisfactory.

Assets may include:

1. Immovable Assets: all govt. buildings, school, bridges, irrigation channel, drains, footpath etc.
2. Movable assets: Computer, disaster management tools, generators, tables, desks, etc.

## DATA ON INSTITUTIONS

Subject	Indicators	Data Value	Remarks
<b>No. Of Educational &amp; training Centres</b>			
<b>Other Govt. Premises ( mention Names)</b>			
<b>Financial Inclusion</b>			
<b>MGNREGA</b>			
<b>NSAP</b>			
<b>Sanitation</b>			
<b>Drinking Water</b>			

**NAME OF SCHOOL:**

**ADDRESS: (Name) Ward**

**TOTAL NO OF TEACHERS:**

S. N	Sector	Particulars		
		Boys	Girls	Total
01	Strength of student [2016-17]			
02	Drop out student			
03	Availability of Toilet			
04	Condition of Toilet[Specify]			
05	Availability of Drinking water facilities – Present Condition –			
06	Availability of Playground facility- Present Condition (Specify) –			
07	Availability of Library facility – Present Condition –			
08	Availability of MDM facility – Present Condition –			
09	Availability of adequate class room- Present Condition-			
10	Guardian meeting	Date of Meeting	Issue of Discussion	
11	School Management Committee meeting	Date of Meeting	Issue of Discussion	

**NAME OF AGANWADI CENTRE:****ADDRESS:**

S. N.	Name of Register from where data to be collected	Particulars (Details)

**INFORMATION ABOUT VERY POOR AND POOR HOUSEHOLDS**

S. N.	Very Poor house holds	Father's Name	Local	Non Local With Voter's Card	Non Local Not Having voter's card
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					



**POOR HOUSEHOLDS**

S. N.	Poor households	Father's Name	Local	Non Local With Voter's Card	Non Local Not Having voter's card
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					

**VISIONING OF PEOPLE**

- 1.
- 2.
- 3.
- 4.
- 5.

**FOCUS GROUP DISCUSSION****Sector-wise Issues and Potential**

## 1. Human and Social Development

S. N.	Issues	Potentials as observed in primary and secondary data
1		
2		
3		
4		

S. N.	Issues	Causes	Solutions / Activities
1			
2			
3			
4			

## 2. Civic Services and Basic Amenities

S. N.	Issues	Potentials as observed in primary and secondary data

## Focus Group discussion in respect of issues of civic services and basic amenities

S. N.	Issues	Causes	Solutions

## 3. Economic Development

S. N.	Issues	Potentials as observed in primary and secondary data

Focus Group discussion in respect of issues of economic development

S. N.	Issues	Causes	Solutions

## 4. Environmental Development

S. N.	Issues	Potentials as observed in primary and secondary data

Focus Group discussion in respect of issues of environmental development

Sl. No.	Issues	Causes	Solutions	Activities (including no-cost and low-cost activities)

## DETAIL STATUS REPORT

### Analysis of Sector wise Problems, Resources & Recommended activities

#### 1. Human and Social Development

Sector	Sub-Sector	Problems	Status (Severe/ Moderate/ low)	Data Source		Priority Ranking** (High/ Moderate/ Low)	Needs (Outcomes of Situation Analysis)
				Primary	Secondary		

#### 2. Civic Services and Basic Amenities

Sector	Sub-Sector	Problems	Status (Severe/ Moderate/ low)	Data Source		Priority Ranking** (High/ Moderate/ Low)	Needs (Outcomes of Situation Analysis)
				Primary	Secondary		

### 3. Economic Development

Sector	Sub-Sector	Problems	Status (Severe/ Moderate/ low)	Data Source		Priority Ranking** (High/ Moderate/ Low)	Needs (Outcomes of Situation Analysis)
				Primary	Secondary		

### 4. Environment Development

Sector	Sub-Sector	Problems	Status (Severe/ Moderate/ low)	Data Source		Priority Ranking** (High/ Moderate/ Low)	Needs (Outcomes of Situation Analysis)
				Primary	Secondary		

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PRIA (2018). Catalysing Actions for District Development Planning by Consolidating Local Priorities



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