



# Creating enabling environments for civil society to influence annual budgets

CASE STUDY OF TWO GRAM PANCHAYATS IN GANJAM DISTRICT, ODISHA

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## ACKNOWLEDGEMENT

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## SUMMARY

This paper reviews five years of GPDPs of Arjyapalli and Kanamana Gram Panchayats, and documents how allocations and priorities for WASH/WRM planning have changed within GPDPs, as a result of improved capacities of the CSOs and Panchayat members. The paper demonstrates how, capacity building can empower communities to make informed choices and influence village level planning as well as service providers, to pave the way for sustainable WASH and WRM.

## BACKGROUND

Gram Panchayats (GP) are the elected local government in rural India. Administratively, they cover around five to six thousand population in one to six villages or hamlets. Each GP is mandated to prepare an annual development plan i.e. the Gram Panchayat Development Plan (GPDP) in consultation with its constituency, to represent the identified needs of the villagers in development allocations. <sup>1</sup>Block authorities approve the GPDP, which is subsequently executed by the Panchayat body during the next financial year. The GPDP is a public document, available to all for review.

The Watershed India project is presently operational in 10 villages in four GPs <sup>2</sup>of Chattrapur Block in Ganjam district of Odisha. Government of India (Ministry of Panchayati Raj) and State government of Odisha, have provided frameworks and manuals for preparation of GPDPs. However, planning as per the prescribed norms, is being done only in few of the GPs in the Block. This, primarily, is due to capacity challenges of the GP members, in terms of accessing and using information about planning processes as well as fostering community participation in planning and execution of the annual plans. Communities, who have accepted poor services as the norm, see little scope or use to actively participate in the preparation of their annual plans.

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<sup>1</sup> Outcome budget 2016-17, Panchayati Raj Department, Government of Odisha  
[https://finance.odisha.gov.in/Budgets/Outcome\\_Budget-2016-17/PR\\_outcome\\_budget\\_2016-17.pdf](https://finance.odisha.gov.in/Budgets/Outcome_Budget-2016-17/PR_outcome_budget_2016-17.pdf)  
For details about WASH planning in India, GPDP planning paper titled 'Who plans for water and sanitation in villages',  
<https://watershed.nl/wp-content/uploads/sites/37/2019/06/Final-GPDP-Planning-in-Bihar-and-Odisha.pdf>

<sup>2</sup> Four Gram Panchayats in Chattrapur Block include Agastinuagam, Arjyapalli, Kanamana, Podapadar GPs

## CAPACITY STRENGTHENING OF GOVERNMENT AND CSOS

Recognising the need for capacity strengthening of GP members and CSOs, for them to be able to contribute positively to the devolution of responsibilities assigned to them, the Watershed India programme has focused on three key aspects of capacity building to support communities and the CSOs to:

- generate real time information about the gaps in WASH service delivery and build compelling evidence to influence and negotiate for improved services and seek accountability of service providers
- access and understand the existing resource flows, connect with the channels for access, understand responsibilities across different layers of service delivery and review their own planning and budgeting processes against this backdrop

## OUTCOMES OF CAPACITY STRENGTHENING

Changes are evident in the way annual planning is being conducted in the GPs where the Watershed project has invested in capacity building of the community.

A key and probably the most critical outcome of the capacity building efforts has been the emergence of empowered and informed community based groups (CSO). Although mandated, majority of VWSCs (Village Water and Sanitation Committees) existed only on paper. In both the GPs these committees have been reconstituted, with a higher representation of women as members. Women's Self Help Groups, whose involvement had earlier been restricted to managing micro-credit accounts, were found to be in the forefront in demanding and successfully accessing improved services for their community.

## ANALYSIS OF CHANGES IN THE GRAM PANCHAYAT DEVELOPMENT PLANS

The analysis of the GPDPs of Arjyapalli and Kanamana GP, over a five year span, show that changes have taken place in the following areas:

### **1. GPDP budgets are now more detailed**

The most visible change observed in the GPDPs, has been the increased level of detail in the budget heads listed in the document. Compared to 2015 – 16, when most of the WASH budgets were found to be clubbed under two or three heads e.g. ‘provision for new tubewells’, ‘purchase of spare parts’ or ‘development work’, the more recent GPDPs include an additional budget head for water supply, which is further divided into village wise allocations, for different types of water supply and operation and maintenance, specific to the needs of each village. The plans reflect addition of new budget heads that address water security issues (e.g. ‘repair of broken tubewell platforms’ and renovation of dug wells<sup>3</sup>), support safe piped water schemes (e.g. construction of water supply Aquaguard with freezer) and augment water supply (e.g. ‘provision of Jalchatras<sup>4</sup> to supply water when tubewells run dry).

### **2. Budget allocations have shifted from ad hoc to need based planning**

Funds in GPDPs are sourced from the Central and State Finance Commissions and barring some basic guidelines, GPs are free to use these funds for any kind of development activities. Total allocations of the GPDPs have increased since 2015, in both Arjyapalli and Kanamana GPs while proportionate allocations for WASH activities have gone down (refer Table 1). This, however, is not indicative of a reduced focus on WASH in village level planning. Rather, it demonstrates that, with more resources for upgrading WASH infrastructure being available from other sources, the GPDP funds could focus on maintenance of these new installations.

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<sup>3</sup> An outcome of Water security planning exercises that has taught communities to look at water and sanitation in terms of sustainability and focus on the wider issues of water environment within which WASH services operate.

<sup>4</sup> Jalchatra’ temporary drinking water kiosks set up during acute water crisis

**Table 1: Allocations in GDPs from 14<sup>th</sup> Central Finance Commission (INR)\***

		2015 – 16	2016- 17	2017 – 18	2018 – 19	2019 – 20
<b>Kanamana GP</b>	Total allocated from 14 CFC to GPDP (INR)	1,271,500	1,524,000	1,139,000	1,674,000	2,326,000
	% of GPDP budget allocated for WASH activities	73%	74%	48%	38%	57%
<b>Arjyapalli GP</b>	Total allocated from 14 CFC to GPDP (INR)	1,395,000	2,393,000	2,765,000	3,295,193	4,109,733
	% of GPDP budget allocated for WASH activities	57%	72%	38%	27%	19%

\* Source : Computed from GDPs

The government of Odisha has set targets for 100% piped water supply coverage. Resources for this are being made available to the District by the Central government and complemented with State government funds under the 'Basudha' scheme<sup>5</sup>. At the GP level, there is little scope for the communities to influence these allocations, as Block authorities are required to allocate these funds following prescribed norms i.e. to first cover the GP headquarters, next the largest village in the Block and so on. The GDPs and village plans are thus being aligned, to supplement the shortfalls in the central allocations, to ensure that the coverage of WASH infrastructure is holistic and includes every household in the village.

Arjyapalli, being the largest village in Chatrapur Block<sup>6</sup>, with a substantial segment of rehabilitated families (ORDP), was the first to receive 100% piped water coverage under the Basudha scheme in 2018. Over a period of three years 1,700 families have been provided piped water supply. In order that all families in the village were covered, during 2017-19, the Village committees and CSOs decided to allocate 60% of the GPDP budgets to 'water supply', primarily for repair and replacement of old non functional piped water systems, repair of pumps and installation of water purification systems. Subsequently, allocations for water supply have been reduced to 19% of the total GPDP budgets of 2019-20.

While the advent of piped water supply has led to a reduction in overall allocations for water supply in villages like Arjyapalli, in smaller GPs like Kanamana, where it might be a while before resources for piped water are designated

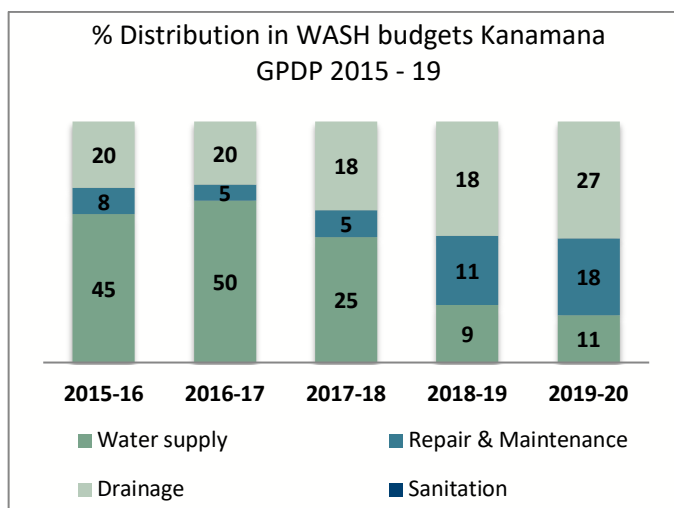
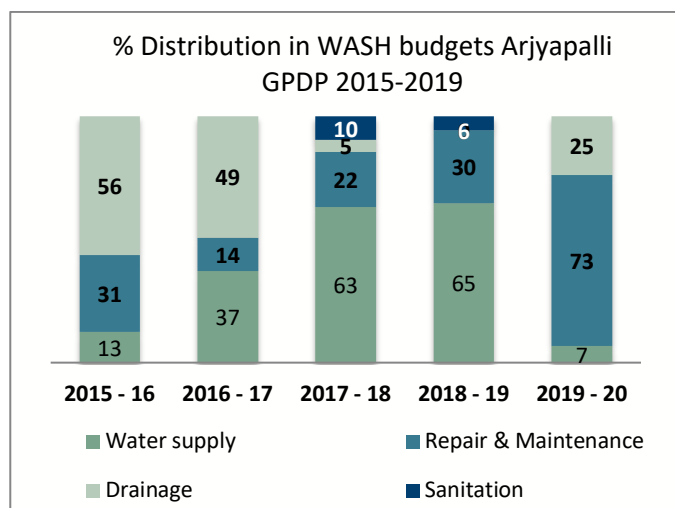
<sup>5</sup> State government, Basudha (Buxi Jagabandhu Assured Drinking water to all Habitation) scheme, 2018, to provide adequate safe water to 147 villages of the district Puri and Ganjam in Odisha

<sup>6</sup> Census 2011, Government of India

by the Block, allocations for water supply continue to be over 50% of the GDP budgets. As per the baseline data, hand pumps are the primary source of water for households in Kanamana GP and in 2017, more than half of the hand pumps were found to be in need of repair, falling short of standards for water supply and water quality <sup>7</sup>.

### 3. Budget allocation and climate resilience

Being a cyclone prone region, both Arjyapalli and Kanamana villages remain without electricity for long stretches of time during natural calamities. Piped water distribution in both GPs will always need to be backed up with functioning hand pumps. Thus, while the future holds the promise of piped water coverage, communities are likely to continue to set aside budgets in their GDPs for new or upgradation of old hand pumps. Budgets for ‘new tube wells’ have witnessed a change in the last two years. The GDPs now specify the location of the new tubewell based on information about the need for a new installation or where repair of the old installations was not feasible. This is a marked departure from the previous plans where, every year, a fixed amount was set aside under the budget head for “new tubewells”.



### 4. Increased participation of village leaders and CSOs

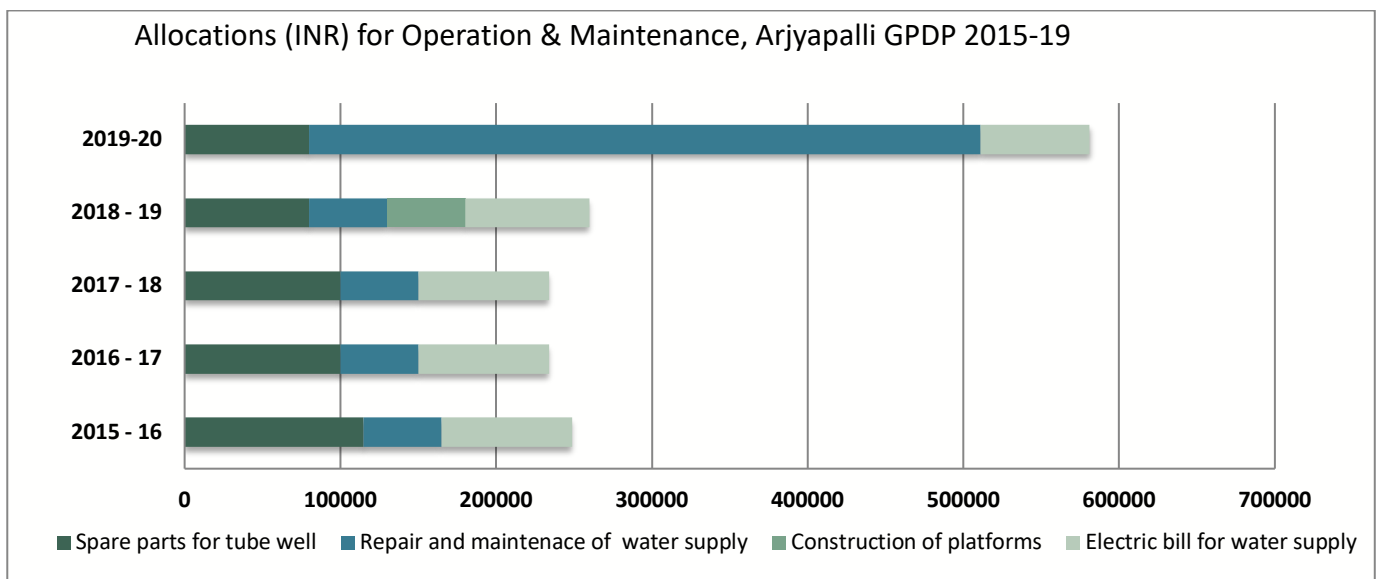
Unlike earlier, Block authorities are planning and executing centrally sponsored schemes in consultation and collaboration with village representatives. Empowered with information about resource envelopes and entitlements for water supply and the existing gaps in service delivery, Panchayat members and CSOs have begun to successfully negotiate and influence Block level allocations, through dialogue and meetings with service providers. The piped

<sup>7</sup> Watershed baseline survey 2017 found in Tikia Behrampur village in Kanamana GP 67% and 56% of water points did not meet reliability and water quality standards. Coliform, Iron and EC were also above permissible limits in Kanamana

water coverage in Arjyapalli is a good testimony of how CSOs successfully influence amendments in the layout plans and related allocations to ensure complete coverage and also actively participate in the execution of the scheme.

## 5. Increased priority for operation and maintenance

The most significant shift in allocations within the GDPDs has been the increased allocations for repair and maintenance in both the GPs. Allocations in the GDPDs for Arjyapalli clearly demonstrate this shift. For 2019 – 20 the GP received higher budgets from CFC and SFC. The community has decided to allocate larger share of WASH budgets for into Operation and Maintenance (raised share from 8% to 14% of the total GDPD budget). Further, they successfully negotiated with the Block authorities to reduce the blanket amount that was transferred every year for purchase of spare parts for O&M, preferring to manage the funds and execute the repair work themselves. Within WASH budgets, the share of ‘repair and maintenance’, increased from 20% to 74% in 2019 -20.



Although, 98% of the households are reported to have access to ‘improved’<sup>8</sup> water sources as per existing records, when the communities mapped their own infrastructure in 2017, they realised that most of their water points did not meet one or more of the parameters (as per the Indian standards) for access, quantity, quality and reliability<sup>9</sup> (Refer

<sup>8</sup> Improved water source is defined as a type of water source that, by nature of its construction or through active intervention, is likely to be protected from outside contamination, in particular from contamination with fecal matter.

<sup>9</sup> Watershed Baseline survey, 2017 - Reliability defined as water source has remained out of operation for more than three months in the last one year



Table 2). For the first time, the GPDPs for 2019 – 20 included designated resources for O&M, over and above the amounts being allocated for the Block every year.

Table 2 : Status of water supply in Arjyapalli and Kanamana Gram Panchayats in 2017**								
Village	Total water points	Do not meet reliability standards*	Status of Operation and maintenance					
			Repaired last year	Minor repair last year	Major repair last year	Repairs needed	Broken platform	No Drainage
Arjyapalli GP								
Aryapalli	158	30%	62%	85%	15%	72%	93%	35%
Kanamana GP								
Kanamana	29	38%	69%	95%	5%	31%	14%	14%
Behrampur	18	67%	44%	22%	22%	50%	17%	33%
Matikhala	29	31%	46%	21%	25%	57%	32%	50%

\*\* Source : Watershed baseline survey, 2017

\* Reliability defined as water source has remained out of operation for more than three months in the last one year

## 6. Increased accountability of service providers and creation of 'Diversion funds'

Table 3: Diversion funds from GPDPs added to budgets for 2019 -20						
GP		2015 - 16	2016 - 17	2017 - 18	2018 - 19	Total
Kanamana	Diversion fund (amount INR)	-	192,300	-	2,986,285	3,178,585
Kanamana	% of annual budget		7%		54%	
Arjyapalli	Diversion fund (amount INR)	2,015,000	3,063,000	3,435,000	-	8,513,000
Arjyapalli	% of annual budget	28%	30%	19%		

Source : Computed from GPDP & Diversion fund records

The Block office provides technical support for operation and maintenance to the villages. Every year, a fixed amount is required to be set aside and transferred to the Block office for these services e.g. payment of SEM salaries, mobile vans, purchase of spare parts for water supply. In the last two years, communities and their leaders have begun to question the Block departments about the utilisation of these funds and hold them accountable for the degraded WASH infrastructure in their villages. This has led to the creation of a 'diversion fund' for each GP where unspent amounts from previous (since 2015) years is collated and made available to the GPs, as additional resources for 2019

– 20 (Refer Table 3). Bulk of these funds have been allocated by the GP for upgradation of WASH infrastructure in schools and public institutions.