

West Bengal State Rural Development Agency (WBSRDA)

(An Agency of the Panchayats & Rural Development Department, Government of West Bengal:
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Social Audit Unit (SAU)

Joint Administrative Building (8th floor) Block – HC-7, Sector – III, Salt Lake, Kolkata – 700 106

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No. 54 (20)-SAU/O/3S/2015

Date: 19.11.2015

From: Amalendu Ghosh, IAS (Rtd.)
Director, Social Audit Unit.

To: Additional District Magistrate, Social Audit
Cooch Behar/ Alipurduar/ Jalpaiguri / Uttar Dinajpur / Dakshin Dinajpur/ Malda / Purulia /
Murshidabad / Burdwan / Birbhum / North 24 Parganas / South 24 Parganas / Bankura /
Purba Medinipur / Paschim Medinipur / Hooghly / Howrah / Nadia / Silliguri SMP / GTA

Subject: Process of Social Audit

Madam/ Sir

You are aware of the calendar of Social Audit finalized from this end and forwarded to you sometime back. I am sure preparatory actions prior to conduct of Social Audit of three programmes namely MGNREGS, IAY and NSAP are being taken. For convenience of all concerned the following guidelines prepared on the basis of the MGNREGS Audit of Schemes Rules 2011 and other instructions issued from time by the Government of India and State Government are issued for strict compliance.

1. SOCIAL AUDIT

Social Audit is an audit that is conducted jointly by the Government and the people, especially by those people who are affected by, or are the intended beneficiaries of, the scheme being audited. To put in a simpler way, social audit can be described as verification of the implementation of a programme / scheme and its results by the community with the active involvement of the primary stakeholders. This is done by comparing official records with actual ground realities, with the participation of the community in the verification exercise, and reading out the findings of the verification exercise aloud in a public platform. The social audit goes beyond accounting for the money that has been spent to examine whether the money was spent properly and has made a difference to people's lives. The aim is effective implementation and control of irregularities. A social audit is conducted by the Gram Sabha of the Panchayat, with the help and support of resource persons identified by the State Social Audit Unit at the State, District and Village level to facilitate the social audit. The resource persons collate records, verify the records with the people through household verifications, record their grievances, visit worksites, organise information in an easily understandable manner and prepare a social audit report based on their findings to be read out to the Gram Sabha. The gram sabha will deliberate on the findings and the implementing agencies have to respond to the report presented in the Gram Sabha.

2. Major objectives of a Social Audit

- a) Promote transparency and accountability in the implementation of a programme.
- b) Inform and educate people about their rights and entitlements in course of conducting social audits.
- c) Provide a collective platform such as a social audit Gram Sabha, for people to express their needs and grievances.
- d) Promote people's participation in all stages of the implementation.
- e) Strengthen participation in Gram Sabha, make it an inclusive and participatory institution and make it a platform for positive collective action through social audits.
- f) Improve the capacity of stake-holders who are participants in the social audit.
- g) Strengthen the scheme by deterring corruption and improving implementation.
- h) Democratize decision making by providing a platform for implementation authorities to be accountable to beneficiaries.
- i) Controlling leakages in implementation of the programme.
- j) Detecting malfunctioning in the implementation in the presence of people and promoting corrective action.
- k) Providing a platform for systematic feedback to improve the programme.
- l) Complement formal audit processes.

3. Five fundamentals of a Social Audit

- A social audit is conducted by stakeholders of the programme. However, social audits in a Gram Panchayat are facilitated by VRPs who are not residents of the same Gram Panchayat.
- Village Resource Persons who facilitate the conduct of social audits in a Gram Panchayat must be trained in reading and understanding of all records relevant to the programme.
- The Administration must ensure the provision of a copy of all records to the resource persons prior to the social audit.
- The social audit must involve a 100% verification of all households, work sites and payments made in the Gram Panchayat.
- The Resource Persons facilitating the social audit must prepare a Social Audit Report that is read out in the Gram Sabha.

Social Audits must be seen as a part of a social accountability and a bundle of measures which include - participatory planning, community based monitoring, budget tracking, mandated pro - active disclosures, citizens charters and time bound and decentralized grievance redress. It always should be a process independent of any process undertaken by the implementing agency of the scheme. The implementing agency shall at no time interfere with the conduct of social audit.

Therefore, social audits serve as an important mechanism of complementing formal audits conducted by the C&AG by supplementing the latter with feedback relating to the implementation of the programme from field.

4. SOCIAL AUDIT UNIT

A Social Audit Unit independent from the department that is implementing the programmes in the state will function at the state level with the following dedicated officials & staff:

1. Director
2. Social Development Specialist
3. Social Audit Expert

A District Social Audit Unit independent of the department implementing the programmes functions at the district level with the following dedicated officials & staff:

1. Additional District Magistrate (Social Audit)
2. District Nodal Officer (Social Audit)
3. Social Audit Resource Person

4. PRE - AUDIT PROCESS

Social Audit Calendar

The first step that must be undertaken is to develop a calendar which will lay out the sequence and dates of social audit gram sabhas and social audit public hearing for all the Gram Panchayats identified for audit. This will be prepared by the Director, Social Audit Unit. It should be communicated to the State Government, who in turn must issue it to all the District Programme Coordinators in advance so that the schedule is followed.

It is to be noted that social audits must be conducted in compliance with the Social Audit Calendar. Any changes in the actual conduct of social audit vis a vis the social audit calendar approved, may be considered as a violation of the process and can take place only if it has been approved by the Director, Social Audit Unit in advance.

It is the responsibility of the DPC to ensure that social audits are conducted as per schedule in the GPs and documents are provided to social audit teams in advance as mandated in the Audit of Scheme Rules, 2011.

There should be a meeting organized by the DPC with the SAU staff, Program Officer, programme functionaries, PRI representatives of the identified Panchayat Samities, CSO representatives where the SA Calendar is shared and the roles and responsibilities of all stakeholders are explained in detail. **(District Entry Conference)**

Before the social audit starts, DSAU must organize an orientation programme / interaction session with the Pradhan and other elected representatives of the identified Gram Panchayat including GP officials to explain the objectives and benefits of a social audit. **(GP Entry Conference)**

5. Identification of Village Resource Persons

VRPs should satisfy the following criteria

- a) Should be preferably youth and above 18 years old.
- b) Should be 10th pass or above.
- c) Should have worked in MGNREGS or have family members who have worked under MGNREGS.

- d) Should not be related to PRI representatives, mates/supervisor and other officials of implementing agencies.
- e) Should preferably be women and / or belonging to the SC/ST community

Youth from Self Help Group, Cluster at GP level, Community Based Organizations may be given preference, as far as possible. Village Resource Persons who have gained experience over the years while facilitating social audit may also be given preference, if satisfies the aforementioned criterion.

VRPs must be identified by District Social Audit Unit before the conduct of the social audit. Selection of VRPs must be done through a transparent & impartial process having judged the communication, writing and analytical skill of the candidates. The process of selection may be determined by the District Social Audit Unit concerned. **The implementing agency of the programme(s) to be audited should not be the part of the selection process.**

The identified VRPs will be trained thoroughly on all aspects of programme to be audited and Social Audit.

6. SOCIAL AUDIT FIELD VERIFICATION

On receiving all information of GP along with its photocopies, the first task of the VRPs is **conducting verification and noting the feedback in specified formats for MGNREGS (to be downloaded from MIS) and for IAY (Annexure IA) & NSAP (Annexure IB).** Social audits that are conducted on the basis of incomplete records will not be considered as a complete social audit.

Role of VRPs during field verification

- The VRPs must interact with people in small meetings, visit programme beneficiaries individually, visit all works undertaken under the programme and verify all records and expenditure incurred by the GP during the audit period.
- The VRPs must hold focus group discussions with wage seekers, beneficiaries, PRI representatives, SHGs, vulnerable households in neutral public places and separately.
- The VRPs must visit all MGNREGS workers who have worked during the audit period and take feedback.
- The VRPs should go through all relevant documents and registers
- The VRPs must visit all MGNREGS works.
- The VRPs must visit on - going worksites and interact with workers there.
- If there is a request for work, request for Job Card or some other grievance, VRPs should either draft a letter or help the person in drafting a letter and ask the person to be present during the Gram Sabha to make the submission in person, if possible.
- It must be kept in mind that while recording specific complaints from any workers, the VRPs has to publicly read out the complaint / application before taking a signature/thumb impression of the applicant.
- The VRPs must communicate the date of Social Audit Gram Sabha to the people while visiting households.

7. SOCIAL AUDIT GRAM SABHA

Right after the completion of the primary verification, the next step in the social audit process is the Social Audit Gram Sabha. The Social Audit Gram Sabha is mandated in the MGNREGA itself under Section 17 of the Act.

The notice for Social Audit Gram Sabha will be issued formally by the Pradhan of the concerned Gram Panchayat informing all the stakeholders about the venue & time strictly according to the date notified by the Director, Social Audit Unit, West Bengal. The Gram Panchayat and the VRPs have to ensure that the date, time & venue of the Social Audit Gram Sabha is communicated to people in advance. The date, venue & time of the Gram Sabha must be displayed on the notice board of the GP office 15 days prior to the actual sabha.

Features of Social Audit Gram Sabha

- The Social Audit Gram Sabha should be a forum that is open to the participation of all elected representatives, representatives of the media, representatives of CSOs, all interested people, implementation officials from Line Departments, Block, GP and District and Mahatma Gandhi NREGA workers. Nobody should be stopped from attending or participating in a Social Audit Gram Sabha.
- The Social Audit Gram Sabha should not be chaired by the Pradhan of the Gram Panchayat because he is part of the implementation team. **The Social Audit Gram Sabha should be chaired by a non - political person, someone who is respected by all and can be decided mutually by the Gram Sabha on the day itself.**
- The Social Audit Gram Sabha should be attended by all officials responsible for the implementation of programme in the concerned GP.
- The district administration must identify and depute an **'Independent Observer'** who should be a Govt. officer not involved in the implementation of the programmes. **The Independent Observer is responsible for noting down the evidence of the beneficiary with the version of events of those blamed with indulging in irregularities in the social audit, for each social audit finding, on the social audit report being presented by the Social Audit Team to the Gram Sabha in the specified formats. (Annexure IIA, Annexure IIB & Annexure IIC)**
- The Sabha should necessarily have a banner and a mike so that the proceedings are clear to all those who attend it. It shall be the responsibility of the District Administration to ensure the same.
- The Social Audit Gram Sabha should be video recorded.
- The Social Audit Gram Sabha should be held in a neutral place i.e. a place which is accessible to all Gram Sabha residents, should be close to the center of the village and should not be in the home of any person and there should be facilities of drinking water and shade.
- All the costs of the Social Audit Gram Sabha should be borne by the District Administration
- The following is the schedule of the Social Audit Gram Sabha that should be followed:
 - ✚ Welcome by Social Audit Resource Person
 - ✚ Explaining the process of Social Audit and the need of Social Audit Gram Sabha by the SARP
 - ✚ Selection of the Chairperson
 - ✚ Introduction of the Chairperson and the officials present including Independent Observer & CSO representative.
 - ✚ Reading out the basic entitlements of Mahatma Gandhi NREGA & eligibility criteria of IAY & NSAP by the VRPs
 - ✚ Read out previous Social Audit and action taken on grievances.
 - ✚ Issue wise presentation of Social Audit Report in local language by VRPs. **A copy of the Social Audit Report should be given to Independent Observer who can**

note down his/her decision on each issue. (Annexure IIA, Annexure IIB & Annexure IIC)

- ✚ Comments by officials and others on issues and discussions to be held in loud and clear environment compulsorily on the mike.
- ✚ The Social Audit report which includes the findings of the social audit along with the response & the evidences recorded by the Independent Observer should be read out at the end of the Gram Sabha.
- ✚ Vote of thanks by the Chairperson

A copy of the report of the Social Audit Gram Sabha should be submitted by the Social Audit Resource Person (SARP) to the GP office and should be available for all people free of cost within 24 hours of the social audit gram sabha having taken place.

8. SOCIAL AUDIT PUBLIC HEARING

After the Social Audit Gram Sabha is held in all Gram Panchayats a Social Audit Public Hearing should be held in the Block Headquarter in the presence of programme beneficiaries, elected representatives, official functionaries at GP, Block and District Level, media, representatives of CSOs. The purpose of the Public Hearing is to ensure that orders are issued in the open on the social audit findings and the action taken on the social audit gram sabha findings is reviewed by the District Programme Coordinator.

Features of the Social Audit Public Hearing

- **The notice for the Social Audit Public Hearing will be issued formally by the Block Development Officer of the concerned block informing all the stakeholders about the venue & time strictly according to the date notified by the Director, Social Audit Unit, West Bengal.**
- **The District Programme Coordinator shall preside over the public hearing** along with a panel that includes a senior level officer, representatives of CSO, media, eminent citizen etc. to respond to the social audit findings. The DPC has the authority to ensure time bound action on grievances identified during the social audit as per section 3 of the Audit of Schemes Rule, 2011.
- The Social Audit Public Hearing is a forum that is open to the participation of all elected representatives, representatives of the media, representatives of CSOs, all interested people, implementation officials from Line Departments, Block, GP and District and programme beneficiaries. Nobody should be stopped from attending or participating in a social audit public hearing.
- The Social Audit Public Hearing should necessarily have a banner and a mike so that the proceedings are clear to all those who attend it. The Public Hearing should be video recorded.
- At the venue of the Public Hearing there should be facilities of drinking water and shade.
- All the costs of the social audit public hearing should be borne by the District Administration.

The following should be the schedule of the Public Hearing at the Block level

- Welcome by Social Audit Resource Person
- Introduction by SARP on the duration and coverage of the Social Audit & need of Social Audit Public Hearing
- Introduction of the Chairperson and the panel along with other officials & PRI representatives present
- Read out previous Social Audit Public Hearing report and action taken on grievances

- **The VRPs must read out issue wise social audit report of the gram sabha for each Gram Panchayat along with the observation noted by the Independent Observer in the Gram Sabha. (Annexure IIA, Annexure IIB, Annexure IIC)**
 - **For each deviation the DPC and / or the panel formed by the DPC shall examine the evidence that was recorded in the Social Audit Gram Sabha report by the Independent Observer and pass final orders in the open on the day of the Social Audit Public Hearing.**
 - The Social Audit Public Hearing report which includes the findings of the social audit along with the action taken recorded by the DPC should be read out at the end of the public hearing.
 - Vote of thanks by the Chairperson
1. A copy of the report of the Social Audit Public Hearing should be submitted by the Social Audit Resource Person (SARP) to the GP & Block office and should be available for all people free of cost within 24 hours of the social audit public hearing having taken place.

9. POST PUBLIC HEARING FOLLOW UP

The following are the steps that need to be followed on completion of the social audit public hearing at the Block level:

- Give the copies of the Social Audit & Decision Taken Report to the implementation authorities at the District and Block level.
- Upload the report to the MIS within 3 days of the social audit public hearing getting completed.
- Within a month of the public hearing, the Programme Officer should submit the Action Taken Report to the District Social Audit Unit.
- The Social Audit Resource Person who co-ordinated the Social Audit Public Hearing should go through it and note whether any action has been taken. She / he should note whether the action taken was appropriate or not.
- **The Social Audit Resource Person should keep the track of this and update the DPC & the Director, Social Audit Unit through the Additional District Magistrate (Social Audit) & the District Nodal Officer (Social Audit) in specified report format. (Annexure III A, Annexure IIIB & Annexure IIIC)**

On conclusion of the Social Audit Public Hearing at the Block level there should be a meeting organized by the DPC with the SAU staff, Program Officer, programme functionaries, representatives of CSOs, for discussing the social audit findings and reviewing the follow up on grievances raised. **(District Exit Conference)**

Please ensure that no deviation from these guidelines is made. Clarification, if needed may please be sought for from the undersigned. All annexures (Annexure IIA, Annexure IIB, Annexure IIC, Annexure III A, Annexure IIIB & Annexure IIIC)) will be sent shortly.

Thanking you,

Yours faithfully,



(A Ghosh)
Director

No. 54(20)/1(42)- SAU/O/3S/2015

Date: 19.11.2015

Copy forwarded for information and necessary action to:

1. P.A. to the Principal Secretary, P& RD Department, Government of West Bengal
 2. Commissioner, Panchayats and Rural Development Department, Government of West Bengal
- 3-22) District Magistrate & District Programme Cordinator, Cooch Behar/ Alipurduar/ Jalpaiguri / Uttar Dinajpur / Dakshin Dinajpur/ Malda / Purulia / Murshidabad / Burdwan / Birbhum / North 24 Parganas / South 24 Parganas / Bankura / Purba Medinipur / Paschim Medinipur / Hooghly / Howrah / Nadia / Silliguri SMP / GTA
- 23-42) District Nodal Officer, Social Audit - Cooch Behar/ Alipurduar/ Jalpaiguri / Uttar Dinajpur / Dakshin Dinajpur/ Malda / Purulia / Murshidabad / Burdwan / Birbhum / North 24 Parganas / South 24 Parganas / Bankura / Purba Medinipur / Paschim Medinipur / Hooghly / Howrah / Nadia / Silliguri SMP / GTA



(A Ghosh)
Director