



PRE REQUISITES OF SOCIAL AUDIT WITH SPECIAL REFERENCE TO MGNREGA IN AGRICULTURE

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ABSTRACT

The National Rural Employment Guarantee Act (MGNREGA) is a people's act in several senses. The main reason behind conducting some measures to review MGNREGA work through implementation of employment guarantee schemes through gram sabhas, social audits, participatory planning and other means. Social audit is an intrinsic part of the act. Along with the usual physical and financial audit, the social audit has identified as a measure for ensuring transparency and accountability. The social audit carried out by user groups and village communities who can take the help of civil society organizations. However, before starting the social audit process a lot of preliminary work has done. As a result most participants in these programs rarely accessed the minimum wage according to estimates from an India wide study of rural employment programs, 65% of those who participated in these programs were paid between Rs. 30 and Rs. 60 per day especially in agricultural sector. This is far less than the minimum wage set by the government.

An important reason for this appalling scenario has been the lack of transparency and accountability. Recently government has announced that NREGA should link with agriculture that is need of hours. It is necessary to regularized NREGA for better and efficient use of it in agriculture. This paper explains how government and farmers should work together for sustainable social audit program. The main objective of this article to link MGNREGA and agriculture with the consent of social audit.

Key Words: Social audit, transparency and accountability, agriculture, employment programs.

INTRODUCTION

August 2005, the Indian Parliament passed the National Rural Employment Guarantee Act (NREGA), which mandates the provision of 100 days of guaranteed employment (unskilled manual work) to any rural household in India. So much so that one of India's most well known economists infamously suggested that the likelihood of money reaching the poor would be higher if we 'simply drop the money by helicopter or gas balloon into rural areas' than route it through employment programs.



This could not be truer than in the case of rural employment programs. Past experience suggests that greatest beneficiaries of rural employment programs were private contractors who received 'work orders' and together with the local political bosses officials fudged muster rolls (attendance registers that determine wages to be given) to produce inflated figures and misappropriate funds.

As has been mandated by the MGNREGA Act, Social Audits are being carried out in Andhra Pradesh (AP) on an ongoing basis in 22 districts of the state where the scheme is being implemented. Beginning with a pilot in February 2006, a step by step process has been designed to train State and District Resource Persons who identify literate youth from the wage seekers families and train them as Village social auditors to carry out the Social Audit process. In an extension of the government's intent to ensure full transparency and accountability in the implementation of the MGNREGS in AP.

The system of social audits in Andhra Pradesh has become a very unique model for the rest of the country in monitoring and evaluation of the MGNREGS, making it the only State Government in the country to have developed an institutional framework to ensure that social audits of the MGNREGS are conducted once every six months. It has resulted in a paradigm shift in administration as well as governance with a pro-poor thrust.

Social Audit has now evolved into a streamlined process to ensure a minimum level of standardization across the State. This ensures that the most critical aspects of the process are not skipped, leading to a dilution that will adversely impact it. This paper documents the Andhra Pradesh experience of institutionalizing social audits into the implementation of the National Rural Employment Guarantee Act, and uses it to analyze the social audit process. It draws on empirical work aimed at measuring the effectiveness of social audits conducted in Andhra Pradesh.

The basic principles of social audit include:

- **Transparency:** Complete transparency in the process of administration and decision-making, with an obligation on the government to *suomoto* (voluntary disclosure of information) give the people full access to all relevant information.

- **Participation:** A right based entitlement for all the affected persons (and not just their representatives) to participate in the process of decision-making and validation;
- **Representative participation:** In those rare cases where options are predetermined out of necessity, the right of the affected persons to give informed consent, as a group or as individuals, as appropriate.
- **Accountability:** Immediate and public answerability of elected representatives and government functionaries, to all the concerned and affected people, on relevant actions or inactions.



Social audit pre-requisites

- The Social Audit shall 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.
- Notwithstanding anything contained in sub-rule, the implementing agency of the Scheme shall provide requisite information to the Program Officer for making it available to Social Audit Unit at least fifteen days prior to the date of commencement of the social audit.
- The resource persons deployed for facilitating social audit in a Panchayat shall not be residents of the same Panchayat.

Process for conducting social audit

Social audit can be done at any point of time during the planning and implementation of a scheme/ programme. For instance, in the case of National Rural Employment Guarantee Scheme (NREGS), social audit can be taken up.



- **Planning stage:** to ensure that the Gram Panchayat Plan is need-based covering productive/ investments and drawn up in consultation with community serving the poor and the disadvantaged
- **Preparation stage:** to ensure that estimates are proper and are in tune with the approved quantum of work
- **Implementation stage:** to ensure that wages are paid rightly, properly and to right people
- **After the completion of work:** to ensure that quality of work is in tune with quantity and estimated cost.

Randomization of Resource Persons:

In the initial stages of setting up Social Audits in the various districts of the State, the District Resource Persons were allotted to their own districts@20 members per district. The State Resource Persons were allotted to districts other than their own to oversee the process. However, owing to many issues of collusion and dilution of issues that cropped up due to the familiarity that grows when the same set of resource persons facilitate the Social Audit process in every round of audit it was decided to go in for a randomization process.

Through the process of randomization, the DRPs are rotated across a cluster of three districts and do not audit a Mandal that they have audited previously. The same process is being followed in the case of the State Resource Persons as well.

Review Meeting at the State Level

The Principal Secretary, RD, conducts a review with the Social Audit SRPs and the DVOs on the 1st Saturday of every month to go through the progress as well as to get an insight into the kind of issues that have been identified. These Review Meetings are attended by the Commissioner, RD, Chief Vigilance Officer (CVO), Chief Quality Control Officer (CQCO) and Director, SSAAT. The meetings help the Administration take decisions at the policy level regarding the implementation of the Scheme.

Social audits or the process of cross-verification of government records with realities on the ground completes the feedback loop in the accountability chain. It creates a platform for the poorest and most disempowered to participate in governance. Section 17 of the NREGA mandates that regular social audits be conducted in the Gram Sabhas at least



once every six months. The NREGA guidelines dedicate an entire chapter to the social audits process. It identifies 11 stages of the program where an individual or group can intervene to ensure public vigilance. The last stage is the mandatory six monthly social audit forum, where the gram sabha comes together to assess and verify progress. The accountability and transparency measures enshrined in the NREGA have proved to be a catalyst for some state governments and civil society organizations to take innovative steps towards developing and institutionalizing accountability tools into the governance system.

One of the most interesting examples of these innovations can be found in the state of Andhra Pradesh (AP) where the government has initiated a systematic process of undertaking social audits for all NREGA works across the state. The Andhra experience is unique because it marks the first time that the government has proactively taken steps to open itself up to scrutiny by citizens.

This has facilitated the conduct of social audits at an unprecedented scale and thus offers some extremely important insights in to the effectiveness of a social audit as a tool to strengthen accountability systems within the states well as for citizens to demand accountability.

Conclusion

The Andhra Pradesh government's experience with implementing social audits is a unique experiment in integrating accountability mechanisms in to the state apparatus. It offers some interesting insights in to the effectiveness of regular, sustained social audits. Emerging empirical evidence on the social audits suggests that social audits in fact have a significant and lasting effect on citizen's awareness levels. Moreover, it demonstrates that it has some effects on implementation processes and in this process, it significantly enhances laborer confidence and self-respect and most important, ability to engage with local officials. Crucially, it highlights some important lessons on how to ensure long term effects of the audit. As the results in the third round highlight, social audits are most effective

When:

1. They are conducted regularly
2. Have inbuilt feedback mechanisms
3. Are undertaken in partnership with the state to ensure immediate, perceivable grievance redressal.



These lessons are important for any state government or civil society organization that wants to undertake a social audit and develop a strategy for their conduct.

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