

IMPROVE SOCIAL SECTOR FINANCING



A Report on the Third Tranche Action – B i

**MAINTENANCE OF SOCIAL SECTOR EXPENDITURES
BY
PROVINCIAL GOVERNMENT,
DISTRICT GOVERNMENTS AND TMAs**

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PREFACE

Policy Objective 2.1 requires Sindh Government to increase social sector spending above the normal increment in support of the Sindh Poverty Reduction Strategy. Under this Policy Objective, Second and Third Tranche Actions 2.1 required Sindh Government, District Governments (DGs) and Taluka/Town Municipal Administrations (TMAs) to maintain Social Sector expenditures as a proportion of total revenues at the level of 2003-04 and allocate SDSSP grant as additionality.

The data of Provincial Government, DGs and TMAs showed compliance to the Tranche Actions 2.1. I hope the compliance will be satisfactory to the ADB.

Malik Asrar Hussain
Finance Secretary

Compliance to Third Tranche Action B i

Third Tranche Actions B i required Sindh Government, DGs and TMAs to maintain social sector expenditures as a proportion of total revenues at the level of 2003-04 and allocate SDSSP grant as additionality. Provincial Government has complied with the condition. Annexure-I shows the social sector expenditures of the Provincial Government. Provincial Government has also allocated SDSSP funds to local governments as additionality which is reflected in the provincial budget under the head of account “SC21045-045-Grants and Subventions-01-General Public Service – 014 - Transfers – 0141 - Transfers (Intergovernmental)- 014102 - To District Governments-KA4251-Grants to Local Bodies in Sindh-A05-Total Grants, Subsidies, and Write Off Loans-A052-Total Grants-Domestic-A05203-To District Government-03-Sindh Devolved Social Services Programme”. The entry of SDSSP in budget is attached as Annexure II.

To collect the clean data of DGs and TMAs, SDSSP has worked intensively with the local governments. In this regard two important functions were performed:

- i. Preparation of pro formas in consultation with the Local Governments
- ii. Capacity Building of Local Governments and Local Support Unit Staff (Finance and Government Specialists and Program Assistants)

- i. Preparation of pro formas

Financial record keeping of current expenditure in TMAs is office-wise and not sector wise. For example, expenditure under the head TO (infrastructure) gives expenditure on all the sectors under his control. All such expenditure was mixed earlier but has been somewhat segregated by creation of separate wing for each sector in TMAs later on. As the condition required segregated data from 2003-04 and as the capacity of local governments in the field of Public Financial Management is weak, it was needed that TMAs be provided with guidelines regarding segregation of expenditure so as to enable them to ascertain water supply and sanitation expenditure.

In the development of such a pro forma, it was crucial to have consultation with DGs and TMAs as they do not follow Budget Rules, 2002 in letter and spirit and financial record keeping differ across the DGs and TMAs. This was crucial because only a pro forma made after the consultation of DGs and TMAs was expected to be easy for them to understand and fill-in. Therefore, meetings were held in Program Support Unit of SDSSP with representative DGs and TMAs. As a result of this consultation, separate pro formas were developed for DGs, Towns (in City District Karachi), Talukas (in rest of the Sindh). The pro formas are attached as Annexure-III, IV and V.

- ii. Capacity Building of local governments

As mentioned earlier, capacity of local governments in the field of Public Finance is weak; therefore, they needed guidance and training regarding how to fill-in the pro forma. To fulfill this need, workshops were held in Karachi and Hyderabad wherein officials of the local governments, District Accounts Officers and Assistant Directors,

Local Fund Audit were imparted hands-on training to accurately fill in the pro forma. Moreover, through Finance and Governance Specialists (and Program Assistants where position of Finance and Governance Specialists were vacant) of SDSSP, local governments were provided with constant assistance in this regard.

Collection of Social Sector Expenditure Data

To collect Social Sector Expenditure's data from local governments, SDSSP sent the pro forma to all local governments. Local governments sent the filled-in pro formas to SDSSP. However, there remained some lack of understanding on the part of the local governments, which manifested itself in errors of entry and omission of data. Generally, these errors were:

i) DGs

1. In case of some districts opening balance was not known to DGs themselves while in some cases it was available in only one or two of the years. There were also some districts, which provided opening balance in some heads and not in others.
2. Opening balance is the unspent amount brought forward. However, districts had difficulties in calculating balances. In some cases, opening balance was shown despite all receipts were spent; in some cases opening balance was greater than receipts; and in some cases opening balance was under-reported.
3. Most of the districts faced great problems in ascertaining own source revenues, as different collections were not being consolidated.
4. In some cases, receipts or expenditure were not reported under some heads. Some districts under-stated the receipts. This sometimes resulted in reporting of expenditure despite having no receipts or expenditure in a head greater than receipts under its head.
5. There was lack of understanding about current expenditure and development expenditure nature of some expenditures e.g. ESR expenditure.
6. There were some errors of entry. Sometimes there were typing errors in data entry. In some cases some amounts were mentioned in hundreds and some in millions. Sometimes, it was not clear that an entry has been made against which head. Sometimes, entry of one grant has been made at two places.

ii) TMAs

1. Instead of reporting non-salary expenditure of water supply and sanitation sector, the same was reported for all sectors.
2. Similarly, in development expenditure, expenditure of all the sectors was recorded instead of sticking to only water supply and sanitation related expenditure.

3. Expenditure under some heads was not reported. Mostly these were the heads (like electricity/telephone, stationary, POL, other contingencies) wherein pooled expenditure (i.e. expenditure of all sectors) was being recorded. As there was no recording of separate expenditure for water supply and sanitation, therefore, no expenditure was reported. In these cases, SDSSP asked them to segregate the expenditure using vouchers and cashbooks.
4. Opening balance was not recorded properly. Either entry was not in designated rows or grant wise details of opening balance of conditional grants were not given. In some cases, unspent amounts were not shown in opening balances.
5. Data of capital purchases was missing in most of the cases.
6. Some heads in the pro forma had sub-heads. Data had to be written only against sub-heads but some TMAs entered data against both heads and sub-heads causing wrong summation.
7. PHE grant is given also for Operations & Maintenance, Electricity and VDAs besides salaries but only salary expenditure from PHE was reported. In some cases, expenditure from PHE was reported despite no receipts.
8. Many TMAs erred in summing the different heads.

To remove these errors, SDSSP sent observations on the pro formas to all local governments and later on discussed those points with concerned local government officers in meeting with them in Program Support Unit. SDSSP also remained in close interaction with them through its Local Support Units and provided help wherever local government had problems in the compilation of the data.

Analysis of the Data

At the start of the SDSSP, there were 16 DGs and 102 TMAs in the province of Sindh. During SDSSP's first year of execution, Government of Sindh decided to re-define the geographical boundaries of local governments for better administration. This resulted in creation of 7 new DGs and 17 TMAs. During this adjustment, 6 old DGs and 25 old TMAs experienced geographical changes.

As these changes were accompanied by adjusted financial flows and different expenditure needs, the compliance of local governments with TTA B-i was checked after dividing local governments into three categories viz.: i) unchanged local governments i.e. the geographic boundaries of which were not altered, ii) local governments that were changed and associated with the newly created local governments, and iii) newly created local governments. The compliance cannot be checked for new local governments as they made budget for the first time in 2005-06. The results, as depicted by table below, show that 10 unchanged DGs out of 23 DGs and 77 unchanged TMAs out of 119 have complied with the TTA B i.

i) Unchanged DGs		i) Unchanged TMAs	
Total	10	Total	77
Compliant	10	Compliant	77

The complete results showing compliance of unchanged DGs and TMAs are attached as Annexure- VI and VII. The data regarding the remaining DGs & TMAs is not available mainly due to the alteration in boundaries, priorities in service delivers, distribution of resources and non-availability of benchmarks, these and many other reasons of non-availability of data are discussed in detail below:

Problems with the Local Governments in the compliance of TTA B i

As the data shows some local governments were unable to comply with the TTA B i. This was caused by some bottlenecks, which hampered them to maintain social expenditure at the levels of 2003-04. These are described below:

1. Alteration in Geographical Boundaries

Creation of new local governments in the province disturbed spending patterns. 7 new DGs were created from 6 old DGs and 17 new TMAs were created by changing 25 old TMAs. As geographical spread of service delivery is not homogenous, alteration in boundaries called for re-prioritization of expenditures for the old local governments.

a) Changed DGs/TMAs

Hyderabad, Larkana and Mirpurkhas districts have not been able to maintain social sector expenditure at 2003-04 levels.

In case of Hyderabad, three rural districts were carved out of it, which had more need for health and education services. The new Hyderabad district, which is an urban district, has less number of health and education facilities resulting in reduced expenditure in those sectors. Further, in that district, private sector caters for almost half of health and education needs and the district has major provincial government hospitals. All this resulted in less expenditure in social sectors in years subsequent to 2003-04.

In case of Larkana, new district Kamber was carved out with more area and more poverty thus requiring more funds for social sectors. On the contrary, new Larkana district is comparatively more urban, has more population and has major health establishments that are under provincial government resulting in lesser allocation in social sector.

Likewise, from Mirpurkhas district more rural areas were separated and declared a new district named Umerkot. District Sanghar was also affected as two union councils of this district were detached and included in district Mirpurkhas.

Similarly, in the case of TMAs, larger TMAs e.g. Sukkur City, Nawabshah, Matiari, Tando Allahyar, Digri and Kotri were bifurcated to create new TMAs in a way that less developed areas fell in the newly created TMAs. This affected social sector expenditures of these and most of other changed TMAs.

b) Newly Created DGs/TMAs

As new local governments made budget for the first time in 2005-06, there were no benchmarks available to them and hence they were not bound to comply with the condition TTA B-i. Moreover, benchmarks of unchanged local governments cannot be used for the changed local governments as expenditure patterns and expenditure preferences are not same across the changed local governments. Therefore, for them 2005-06 should be base year.

Moreover, new districts and TMAs also had to face problems in stabilizing social sector expenditures. Kamber and Umerkot were not able to increase the social sector expenditures because they faced problems in transition. As they had to install set up supporting social service delivery like building offices of district administration and cater for other emerging needs, these circumstances compelled these districts to reduce social sector expenditures. Even expenditure on building social sector related offices- like office of EDO (Health) or EDO (Education) is shown as expenditure in Physical Planning & Housing and not in the concerned social sector. This resulted in less expenditure shown in account books of social sector.

Newly created local governments faced problems of the distribution of resources. Many districts and talukas have yet to obtain their due share of resource from parent local governments. For example, TMA Hussain Bux Mari has not still received its due share of resources from the TMA Mirpurkhas. The Matter of distribution of share is still pending.

People in newly created districts had immediate aspirations from their political leaders in all sectors to improve their living conditions. Therefore, resources had to be spent on sectors other than social sector to meet the demands of people.

2. General issues with DGs and TMAs

Besides geographical alteration, there were other problems which made compliance to TTA B i difficult for both complying and non-complying local governments. These are mentioned below.

- i. Many local governments signed MoU with SDSSP in 2005-06. Thus they were not bound to maintain social sector expenditures in 2004-05 on the levels of 2003-04¹ as it was not possible to adjust expenditure of 2004-05 after the year's end.

¹ It is important to mention an inconsistency in second tranche actions: STA C iii asks for majority of the DGs and TMAs to sign MOUs with Govt. of Sindh, however, STA B i asks for all local governments to

- ii. There is still lack of proper understanding of budget making and governmental accounts on part of the local governments. Moreover, many districts and TMAs suffer from under-staffing of relevant staff, which makes it difficult for them to monitor and maintain sectoral expenditures.
- iii. The compliance to this conditionality requires sufficient consistency and reliability in level of both revenues and expenditures. However, revenues of DGs generally and TMAs particularly swung wildly hampering them to stick to their levels of social sector expenditures. For example, there was no PHE grant to TMAs in 2003-04, which was made available from 2004-05. As PHE is a conditional grant meant to be spent on salaries, electricity, operations & maintenance, grant for Village Development Associations, it was difficult for TMAs to spend this grant initially where there were no PHE staff posted or VDA were non-functional. Similarly, MPA/MNA grants or funds for ADP schemes were transferred to TMAs without consulting them at the time of budget making.
- iv. As expenditure and receipts of tied grants (e.g. tied grants for education in case of DGs and PHE grant in case of TMAs) are not synchronized, they affect whole flows to the social sector and consequently proportion of total sector expenditure to receipts.
- v. One important reason of the non-compliance of the TTA B-i is the improper Financial & Accounting record at the district and TMA level. As mentioned earlier, the manner of financial record keeping of current expenditure in TMAs is Office-wise and not sector wise. Though this expenditure has been largely segregated by creation of separate wing for each sector in TMAs, however still some expenditure like POL, electricity and stationary are pooled. This pooling of expenditure has resulted in scattered recording of expenditure and it was difficult for TMAs themselves to know the expenditure patterns under each sector.
- vi. Revenues position is particularly problematic in districts and most of the districts did not know what own-source revenues they are generating. Matters have gone so wrong that own-source revenues were submitted in Provincial Account-I in a certain district with no drawing after submission.
- vii. The provincial Planning and Development Department forbade districts from undertaking new schemes in education and health sector in 2005-06. This also proved a hindrance in maintaining expenditure on social sectors.
- viii. Major proportion of the budget of local governments is spent on salary expenditure, which is a committed outlay of the local governments and

maintain social sector expenditures at level of 03-04. When some local governments are not signatories they are not bound to comply with STA B i.

hence they could not make enough adjustments in the budget to increase social sector financing after the signing of MoU.

- ix. Local governments were still in transition period in 2003-04. As new local governments invariably spend most of the resources on their prime functions (which are same as SDSSP's targeted functions), they had to spend on hitherto neglected sectors in 2004-05 and later.

Status of deferred TMAs from 2004-05 (2nd tranche)

11 TMAs were not compiling in the second tranche report because of non availability or erroneous data. For those TMAs latest data has been collected and compiled during the Social sector expenditure data collection exercise last year. The status on the compliance of these 11 TMAs has been mentioned at Annexure VIII.

Achievements of SSE Exercise

SSE data collection exercise by SDSSP has been successful in institutionalizing the processes for budgeting and maintaining accounts in districts and TMAs. It made a vital impact on the financial record keeping by the local governments, corrected the record keeping system, and institutionalized it. The exercise brought all tiers of government, right from the Chief Secretary of the province to local finance managers at local government level, to stream line and institutionalize financial data management.

Before the exercise was undertaken revenues and expenditures were pooled together and there was no bifurcation resulting in un-clean and un-reliable data. For instance, development and current expenditures were maintained in a single book making it extremely difficult to comprehend how much was being spent in a particular sector? Even many local governments were failing to report correctly their closing and opening balances. One more disappointing feature that came to light was that many local governments were unaware of their own resources and they were reporting their own resources as resources granted to them by the provincial government. SDSSP intervention helped local governments on sustainable basis to separate salary, non-salary, and development expenditures, which were earlier being maintained together.

This exercise enhanced the capacity of local governments in that it imparted knowledge of financial rules, budget rules, and accounting procedure to them through SDSSP-prepared pro formas, workshops, and meetings. Receipt of clean data after SDSSP team's pro-active leadership in the exercise is the evidence of enhanced capacity of the local governments.

Availability of clean SSE data can now provide a robust mechanism to the provincial government to track the expenditure by the local government and frame policies for the social development in the province in order to achieve millennium developments goals. The provincial government can intelligently use this data to monitor development activities and plug the pilferage of funds on sustainable basis. The local governments on

their part can best plan their development portfolio and implement their development agenda by utilizing the data.

Conclusion

Policy Actions B-i required Sindh Government, DGs and TMAs to maintain social sector expenditures as a proportion of total revenues at the level of 2003-04 and allocate SDSSP grant as additionality. Sindh Government, DGs and TMAs have complied with the Policy Action.

Furthermore, the exercise done in this regard by SDSSP has also strengthened coordination between SDSSP and the local governments that will positively contribute in the achievement of goals of SDSSP. Program Support Unit of SDSSP would continue to engage with the local governments to assist them in improving their budgeting and accounting systems and processes.

Annexure -I

Provincial Social Expenditures				
	2003-04 BE	2004-05 A	2005-06 RE	2006-07 BE
Total Revenue Receipts	90,937	107,630	137,870	158,210
Education	3,045	13,515	8,907	14,236
% of Revenue	3.3%	12.6%	6.5%	9.0%
Health	2,947	5,636	5,575	6,699
% of Revenue	3.2%	5.2%	4.0%	4.2%
Water and Sanitation	623	Included in Health		
% of Revenue	0.7%			
Social Services	6,614	19,152	14,482	20,935
% of Revenue	7.3%	17.8%	10.5%	13.2%

**IX- DETAILS OF REVENUE EXPENDITURE ACCORDING TO
FUNCTIONAL CLASIFICATION**

(In million of rupees)

Disbursements	Demand No.	Accounts 2003-04	Budget Estimate 2004-05	Revised Estimate 2004-05	Budget Estimate 2005-06
PROVINCIAL CONSOLIDATED FUND					
A- CURRENT REVENUE EXPENDITURE					
014	Transfers				
0141	Transfers (Inter Governmental)				
014102	To District Governments	SC21046			37,160.697
014103	To TMAs (Tehsil, Town and Unions)	SC21045			11,000.000
014103	To TMAs (Tehsil, Town and Unions)	SC21046			660.411
014110	Others	SC21046			120.220
0141	Total Transfers (Inter Governmental)				48,941.328
0142	Transfers (Inter Governmental)				
	a- Devolved Social Services Programme	SC21045			1,894.860
	b- Governor/CM Directives	SC21045			60.000
	b- Others	SC21045			58.740
014202	Transfers to Non-Financial Institutions	SC21045			65.000
0142	Total Transfers (Others)				2,078.600
014	Total Transfers				51,019.928
015	General Services				
0151	Personnel Services				
015101	Establishment, Services and General				
	a- Services & General Administration Department	SC21001			137.897
	b- Care Taker Cell	SC21001			10.474
	c- Estate Office	SC21001			293.197
	d- Protocol Cell	SC21001			20.145
	e- Public Service Commission	SC21001			36.263
	f- Other Govt. Contribution to Group Insurance	SC21007			375.000
0151	Total Personnel Services				872.976
015201	Planning	SC21008			70.058
015301	Statistics	SC21010			85.522
0154	Other General Services				
015406	Information Technology	SC21001			52.663
015403	Centralized Printing and Publishing	SC21042			161.062
015	Total General Services				1,242.281
018	Administration of General Public Services				
018101	Voter Registration/Election	SC21001			4.705
019	General Public Service not elsewhere Defined				
019101	Administrative Training	SC21012			22.662
019120	Others (Women Department)- Secretariat	SC21001			7.228
019120	Others (Women Department)- Directorate	SC21001			14.383
019	Total General Public Service not elsewhere Defined				44.273
01	Total General Public Service				81,634.396
		Charged			11,445.406
		Voted			70,188.990

Receipts

Name of District Government: _____

Description	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
Opening Balance on 1st July				
OZT				
Non-Salary of devolved departments				
Own revenue Generation				
Tied Grants for Education				
Total				
<u>Income</u>				
i) Salary from Provincial Government				
ii) Non-Salary from Provincial Government				
iii) OZT (share of the district government only)				
iv) Property tax (10% share of the district government)				
vi) Own revenue Generation				
vii) Grants				
a. ESR grant				
b. ADP grant (from Provincial P & D Department)				
c. Grant against MPA scheme				
d. Grant against MNA / Senator schemes				
e. Tied grants for education				
f. Any other grant (give details)				
Total (a to f)				
Total Income (i to vii)				
Total Receipts (Opening Balance+Income)				

EDO (F & P)_____
DAO**Notes**

1. Actual data means data upto the end of the month of June of every year.
2. Tied grants for education mean grants for Text Books, Girls Stipends, and SMCs.
3. OZT share transferred to the TMAs and UCs by the district government are NOT to be included.
4. Own source income is that income which is generated by district on their own under 2nd Schedule part 1 of SLGO 2001.
5. Any other grant include grants received from federal or provincial government for any special program or specific purpose / project.

Current (non-development) Expenditure

Name of District Government: _____

Rupees

Detailed Function	2003-04 (Actual)				2004-05 (Actual)				2005-06 (Revised)				2006-07 (Budgeted)			
	Salary	Non-Salary	Textbooks/ Stipend/SMCs	Total	Salary	Non-Salary	Textbooks/ Stipend/SMCs	Total	Salary	Non-Salary	Textbooks/ Stipend/SMCs	Total	Salary	Non-Salary	Textbooks/ Stipend/SMCs	Total
Education and Literacy																
Health																
Total																

EDO (F & P)

DAO

Notes:

1. Actual expenditure means expenditure actually incurred upto the end of month of June of every year.
2. Non-salary expenditure from SDSSP funds, if any, should not be included.

**Development Expenditure
(excluding SDSSP Schemes)**

Name of District Government: _____

Rupees

Sector	Expenditure			
	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
A- Education and Literacy				
1. From own-sources (District Development Program)				
2. From Provincial / Federal Government releases				
a) ADP (from provincial P & D Department)				
b) From Other Grants (such as federal / provincial funded projects)				
(Give Grant wise details)				
Total (2a+2b)				
Total A (1+2)				
B- Health				
1. From own-sources (District Development Program)				
2. From Provincial / Federal Government releases				
a) ADP (from provincial P & D Department)				
b) From Other Grants (such as federal / provincial funded projects)				
(Give Grant wise details)				
Total (2a+2b)				
Total B (1+2)				
Grand Total (Total A+Total B)				

EDO (F & P)

DAO

Notes:

1. Development from Own Source means schemes funded from local receipts and savings.
2. Actual expenditure means expenditure incurred upto the end of the month of June of every year.
3. ADP means Annual Development Program of the devolved departments earmarked by the provincial government.
4. Include expenditure on CCBs also in the above data.
5. Development Expenditure out of SDSSP schemes should not be included in the above data.

Receipts

Name of TMA: _____

Description	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
Opening Balance of Local Fund (General) on 1st July				
i) Opening Balance other than conditional grant				
ii) Conditional Grants (give details)				
Total Opening Balance(i+ii)				
Income				
i) OZT				
ii) Property tax				
iii) Tax on transfer of immovable property				
iv) Conservancy Fee				
v) Own source income				
vi) Grants				
a. PHE grant				
b. Provincial ADP grant				
c. Grant against MPA scheme				
d. Grant against MNA / Senator schemes				
e. Grant from District Government				
f. SDSSP Grant				
g. Any other grant (give details)				
Total Grants (a to g)				
Total Income (i to vi)				
Total Receipts (Opening Balance+Income)				

TO (Finance)_____
Resident Audit Officer**Explanatory Notes**

Actual data means data upto the end of the month of June of every year.

Opening Balance:

Conditional Grants means grants for specific purposes such as PHE, MPA and SDSSP schemes etc. Give that part of opening balance which relates with conditional grants.

Income

- OZT means the OZT share received from Provincial Government.
- Property Tax means the amount received from the district government under the head of property tax.
- Tax on transfer of immovable property means the tax levied on the mutation / registration and recovered in sub-registrar's office.
- Conservancy Fee means the fee received from City District Government under the head of "Conservancy"
- Own source income is that income which is generated by taluka on their own under 2nd Schedule part 4 of SLGO 2001(write income other than property tax and tax on transfer of property).
- PHE grant is Public Health Engineering grant for Salary and VDA received from provincial government.
- Provincial ADP is provincial grant against ADP schemes.

Water & Sanitation (including Drainage and Solid Waste) Expenditure
Current (Non-Development) Expenditure

Name of TMA: _____

Description	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
Salary (including overtime) (related to water supply, sanitation, drainage and solid waste management)				
a. Staff				
i) TO (I&S) Office Staff				
ii) Water Supply Staff				
iii) Sanitation (incl. Drainage & Solid Waste) Staff				
iv) Mechanical Section / workshop Staff				
Total (i to v)				
b. PHE Staff				
Total Salary (a+b)				
Non-Salary (related to water supply, sanitation, drainage and solid waste management)				
a. Repair & Maintenance				
i) Repair & Maintenance (Civil Works)				
a. From own Sources				
b. From PHE Grant				
Total (a+b)				
ii) Repair & Maintenance of Vehicles & Machinery				
a. From own Sources				
b. From PHE Grant				
Total (a+b)				
Total (i+ii)				
b. Contingencies				
i) POL				
ii) Electricity/Telephone bills				
a. From own Sources				
b. From PHE Grant				
Total (a+b)				
iii) Stationary				
iv) Purchase of materials				
v) Contract of Solid Waste				
vi) Other Contingencies				
Total (i to vi)				
c. Funds Transferred to VDAs				
Total Non-Salary (a+b+c)				
Total Current Expenditure (Salary+Non-Salary)				

TO (Finance)

Resident Audit Officer

Explanatory Notes

1. Actual expenditure means expenditure incurred upto the end of the month of June of every year.
2. Salary of PHE Staff means the salary paid from the PHE funds received from Provincial Government for payment of salaries to the devolved staff of PHE
3. Salaries of mechanical staff means the staff engaged in the workshop for maintenance of solid waste vehicles and equipment.
4. Include non-salary of TO (I&S) Office and Mechanical/Workshop also in the "Non-Salary".
5. Include expenditure on storm water drains also in Drainage.
6. Any current expenditure out of SDSSP grant is not to be included.

**Water & Sanitation (including Drainage and Solid Waste) Expenditure
Development Expenditure**

Name of TMA: _____

Description	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
A- Own Source Funded				
i) Civil Works (New Construction)				
ii) Capital Purchase				
Total (i+ii)				
B- Development through Grants in Aid				
(Give Grant-wise details)				
i) Civil Works (New Construction)				
ii) Capital Purchase				
Total (i+ii)				
Total (A+B)				

TO (Finance)

Resident Audit Officer

Explanatory Notes

1. Actual expenditure means expenditure incurred upto the end of the month of June of every year.
2. Grants in Aid means grant from Provincial Government for development, Senator/MNA/MPA schemes, KPP schemes etc.
3. CCB expenditure should also be included in above data.
4. Capital Purchase (Vehicles related to water supply, drainage and solid waste management and equipments)
5. Include expenditure on storm water drains also in Drainage.
6. Development Expenditure out of SDSSP grant should not be included in above data.

Receipts

Name of TMA: _____

Description	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
Opening Balance of Local Fund (General) on 1st July				
i) Opening Balance other than conditional grant				
ii) Conditional Grants (give details)				
Total Opening Balance(i+ii)				
Income				
i) OZT				
ii) Property tax				
iii) Tax on transfer of immovable property				
iv) Own source income				
v) Grants				
a. PHE grant				
b. Provincial ADP grant				
c. Grant against MPA scheme				
d. Grant against MNA / Senator schemes				
e. Grant from District Government				
f. SDSSP Grant				
g. Any other grant (give details)				
Total Grants (a to g)				
Total Income (i to v)				
Total Receipts (Opening Balance+Income)				

TO (Finance)_____
AD, Local Fund Audit**Explanatory Notes**

Actual data means data upto the end of the month of June of every year.

Opening Balance:

Conditional Grants means grants for specific purposes such as PHE, MPA and SDSSP schemes etc. Give that part of opening balance which relates with conditional grants.

Income

- OZT means the OZT share received from Provincial Government.
- Property Tax means the amount received from the district government under the head of property tax.
- Tax on transfer of immovable property means the tax levied on the mutation / registration and recovered in sub-registrar's office.
- Own source income is that income which is generated by taluka on their own under 2nd Schedule part 3 of SLGO 2001 (write income other than property tax and tax on transfer of property).
- PHE grant is Public Health Engineering grant for Salary and VDA received from provincial government.
- Provincial ADP is provincial grant against ADP schemes.

**Water & Sanitation (including Drainage and Solid Waste) Expenditure
Current (Non-Development) Expenditure**

Name of TMA: _____

Description	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
Salary (including overtime) (related to water supply, sanitation, drainage and solid waste management)				
a. Staff				
i) TO (I&S) Office Staff				
ii) Water Supply Staff				
iii) Sanitation (incl. Drainage & Solid Waste) Staff				
iv) Mechanical / Workshop Staff				
Total (i to iv)				
b. PHE Staff				
Total Salary (a+b)				
Non-Salary (related to water supply, sanitation, drainage and solid waste management)				
a. Repair & Maintenance				
i) Repair & Maintenance (Civil Works)				
a. From own Sources				
b. From PHE Grant				
Total (a+b)				
ii) Repair & Maintenance of Vehicles & Machinery				
a. From own Sources				
b. From PHE Grant				
Total (a+b)				
Total (i+ii)				
b. Contingencies				
i) POL				
ii) Electricity/Telephone bills				
a. From own Sources				
b. From PHE Grant				
Total (a+b)				
iii) Stationary				
iv) Purchase of materials				
v) Contract of Solid Waste				
vi) Other Contingencies				
Total (i to vi)				
c. Funds Transferred to VDAs				
Total Non-Salary (a+b+c)				
Total Current Expenditure (Salary+Non-Salary)				

TO (Finance)

AD, Local Fund Audit

Explanatory Notes

1. Actual expenditure means expenditure incurred upto the end of the month of June of every year.
2. Salary of PHE Staff means the salary paid from the PHE funds received from Provincial Government for payment of salaries to the devolved staff of PHE
3. Any current expenditure out of SDSSP grant is not to be included.
4. Include non-salary of TO (I&S) Office and Mechanical/Workshop also in the "Non-Salary".
5. Include expenditure on storm water drains also in Drainage.

**Water & Sanitation (including Drainage and Solid Waste) Expenditure
Development Expenditure**

Name of TMA: _____

Description	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2006-07 (Budgeted)
A- Own Source Funded				
i) Civil Works (New Construction)				
ii) Capital Purchase				
Total (i+ii)				
B- Development through Grants in Aid				
(Give Grant-wise details)				
i) Civil Works (New Construction)				
ii) Capital Purchase				
Total (i+ii)				
Total (A+B)				

TO (Finance)

AD, Local Fund Audit

Explanatory Notes

1. Actual expenditure means expenditure incurred upto the end of the month of June of every year.
2. Grants in Aid means grant from Provincial Government for development, Senator/MNA/MPA schemes, KPP schemes etc.
3. CCB expenditure should also be included in above data.
4. Development Expenditure out of SDSSP schemes should not be included in the above data.
5. Include expenditure on storm water drains also in Drainage.

Expenditure to Receipts Ratio of Unchanged District Governments

Sr. #	District(s)	Receipts			Expenditure			Expenditure to Receipts Ratio			Compliance
		2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	
1	Ghotki	1,441.6	1,512.6	1,499.5	541.6	610.4	592.0	38%	40%	39%	Yes
2	Karachi	14,397.9	17,111.8	20,987.6	3,542.8	7,454.3	13,242.8	25%	44%	63%	Yes
3	Khairpur	2,622.3	2,483.0	2,980.1	1,584.5	1,522.6	1,806.2	60%	61%	61%	Yes
4	Naushero Feroze	959.1	1,299.4	1,912.1	814.8	1,156.6	1,742.1	85%	89%	91%	Yes
5	Nawabshah	1,310.0	1,533.6	1,784.7	799.9	978.0	1,112.8	61%	64%	62%	Yes
6	Sanghar	1,823.6	1,959.8	2,485.9	1,178.3	1,287.3	1,648.5	65%	66%	66%	Yes
7	Shikarpur	1,580.8	1,769.9	1,801.3	980.7	1,101.6	1,163.1	62%	62%	65%	Yes
8	Sukkur	945.8	1,034.6	1,156.0	837.0	969.9	1,024.9	88%	94%	89%	Yes
9	Tharparkar	1,034.9	1,295.1	1,405.4	472.2	592.6	755.7	46%	46%	54%	Yes
10	Thatta	1,284.5	1,352.8	1,727.2	637.1	755.0	898.6	50%	56%	52%	Yes

Amounts are in million Rs.

Expenditures to Receipts Ratio of Unchanged TMAs

S. No.	District	Town / Taluka	Receipts			WSS Expenditure			Expenditure to Receipts Ratio			Compliance
			2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	
1	Badin	Badin	31.40	42.89	53.67	10.4	26.7	20.3	33%	62%	38%	Yes
2		Tando Bago	36.33	29.50	41.11	6.4	22.1	29.5	17.5%	75.0%	71.9%	Yes
3	Dadu	Dadu	21.87	43.99	56.86	10.2	23.1	30.7	46.6%	52.6%	54.0%	Yes
4		Johi	5.28	24.94	33.01	1.1	11.9	8.5	21.4%	47.9%	25.7%	Yes
5		Khairpur Nathan Shah	3.83	26.15	20.64	3.2	22.0	20.3	83.7%	84.1%	98.5%	Yes
6		Mehar	23.74	36.54	52.37	6.7	19.5	21.5	28.1%	53.3%	41.1%	Yes
7	Ghotki	Daharki	20.43	38.07	42.02	14.0	26.8	35.0	68.6%	70%	83.2%	Yes
8		Ghotki	24.48	50.54	54.09	9.1	20.1	20.1	37.0%	39.8%	37.2%	Yes
9		Khangarh	4.85	19.66	34.17	1.4	11.1	11.7	29.8%	56.5%	34.3%	Yes
10		Mirpurmathelo	12.13	29.80	50.34	6.2	17.6	27.6	51.1%	59.1%	54.9%	Yes
11		Ubauro	9.63	27.34	32.21	7.2	26.5	25.2	75%	97%	78%	Yes
12	Hyderabad	Hyderabad City	205.50	165.56	229.74	83.9	106.3	129.7	40.8%	64.2%	56.5%	Yes
13		Hyderabad Rural	16.00	30.41	43.81	3.8	18.3	11.0	23.5%	60.0%	25.2%	Yes
14		Latifabad	84.98	109.54	146.52	37.2	48.1	64.3	43.8%	43.9%	43.9%	Yes
15		Qasimabad	26.88	39.83	51.96	14.0	20.7	28.2	51.9%	52.0%	54.3%	Yes
16	Jacobabad	Ghari Khairo	8.56	17.82	26.23	3.2	15.7	10.0	37.2%	88.2%	38.1%	Yes
17		Jacobabad	58.90	66.81	77.55	26.0	31.1	41.9	44.1%	46.5%	54.0%	Yes
18		Thull	15.96	34.86	59.39	4.3	23.3	21.3	27.2%	67.0%	35.8%	Yes
19	Jamshoro	Sehwan Sharif	16.86	40.68	39.01	4.9	21.0	26.9	29.3%	51.7%	69.1%	Yes
20		Thano Bula Khan	2.23	5.52	16.43	1.1	3.0	8.2	49.6%	55.1%	50.1%	Yes

S. No.	District	Town / Taluka	Reciepts			WSS Expenditure			Expenditure to Receipts Ratio			Compliance
			2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	
21	Karachi	Baldia	83.65	154.31	183.49	43.6	100.8	96.9	52.1%	65.3%	52.8%	Yes
22		Bin Qasim	273.85	489.55	597.28	94.1	195.3	212.8	34.4%	39.9%	35.6%	Yes
23		Gadap	254.59	365.41	699.54	83.9	121.2	252.9	32.9%	33.2%	36.2%	Yes
24		Gulberg	153.48	187.82	245.15	66.5	88.8	106.5	43.3%	47.3%	43.4%	Yes
25		Gulshan-e-Iqbal Town	408.17	573.29	623.00	102.0	153.3	220.3	25.0%	26.7%	35.4%	Yes
26		Jamshed Town	361.99	399.73	436.27	116.3	139.2	190.9	32.1%	34.8%	43.8%	Yes
27		Keamari	156.92	244.15	295.76	60.1	93.7	115.4	38.3%	38.4%	39.0%	Yes
28		Korangi	128.23	214.47	325.40	37.4	62.9	107.1	29.1%	29.3%	32.9%	Yes
29		Landhi	148.10	197.48	263.79	51.5	69.1	112.7	34.8%	35.0%	42.7%	Yes
30		Liaqatabad	143.96	199.86	294.80	74.8	104.4	165.0	52.0%	52.2%	56.0%	Yes
31		Lyari	31.40	42.89	53.67	10.4	26.7	20.3	33.0%	62.2%	37.8%	Yes
32		Malir	105.36	166.19	141.82	92.2	146.4	179.6	87.5%	88.1%	126.6%	Yes
33		New Karachi	158.79	225.89	304.59	57.8	83.1	112.0	36.4%	36.8%	36.8%	Yes
34		North Nazimabad	216.22	223.34	258.67	77.7	83.9	101.9	35.9%	37.6%	39.4%	Yes
35		Orangi	171.57	321.18	270.28	142.8	293.1	250.7	83.2%	91.2%	92.8%	Yes
36		Saddar	621.24	444.62	525.27	184.4	206.0	228.4	29.7%	46.3%	43.5%	Yes
37		Shah Faisal Colony	95.69	113.53	279.59	33.6	40.0	113.3	35.1%	35.3%	40.5%	Yes
38		SITE	202.27	281.08	453.45	180.8	281.6	433.6	89.4%	100.2%	95.6%	Yes
39	Kashmore	Kashmore	9.17	37.17	47.73	3.2	13.7	16.7	35%	37%	35%	Yes
40	Khairpur	Faiz Gunj	1.96	9.19	26.28	0.4	6.9	18.5	18.6%	74.6%	70.3%	Yes
41		Gambat	11.30	12.94	39.75	3.1	9.1	11.7	27.2%	70.3%	29.6%	Yes
42		Khairpur	57.79	105.57	122.79	25.0	45.7	53.4	43.3%	43.3%	43.5%	Yes
43		Kingri	9.00	25.88	31.97	5.9	20.4	21.4	65.5%	79.0%	66.9%	Yes
44		Kotdiji	10.97	17.28	21.59	7.1	16.6	17.1	64.8%	96.2%	79.2%	Yes
45		Nara	0.96	7.35	8.00	0.5	6.9	5.0	48.6%	94.4%	62.8%	Yes
46		Sobhodero	11.84	22.14	35.50	8.6	20.7	29.9	72.4%	93.4%	84.2%	Yes
47		Thari Mirwah	16.33	23.19	41.95	6.0	8.7	16.2	36.5%	37.4%	38.7%	Yes
48	Mirpurkhas	Kot G Muhammad	16.90	29.67	39.73	5.9	10.7	14.0	34.9%	36.0%	35.2%	Yes

S. No.	District	Town / Taluka	Reciepts			WSS Expenditure			Expenditure to Receipts Ratio			Compliance
			2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Revised)	
49	Nausheroferoze	Moro	12.70	38.91	47.71	5.3	23.6	22.2	42.1%	60.6%	46.6%	Yes
50		Nausheroferoze	17.37	50.58	72.60	6.1	20.3	25.9	35.2%	40.1%	35.7%	Yes
51	Nawabshah	Doulatpur	19.36	33.47	62.51	4.5	8.5	14.4	23.0%	25.4%	23.1%	Yes
52		Sakrand	15.28	38.10	34.99	6.8	19.3	16.2	44.2%	50.8%	46.4%	Yes
53	Sanghar	Jam Nawaz Ali	3.50	16.74	24.73	1.6	7.7	13.1	46.1%	46.3%	52.9%	Yes
54		Sanghar	25.72	45.30	71.87	14.5	26.4	42.0	56.3%	58.2%	58.4%	Yes
55		Shahdadpur	35.28	64.90	53.70	16.8	33.6	34.5	47.5%	51.8%	64.2%	Yes
56		Sinjhero	14.02	36.11	39.63	9.4	32.1	27.2	66.9%	89.0%	68.6%	Yes
57		Tando Adam	37.53	57.13	33.14	15.5	24.0	27.4	41.2%	42.1%	82.7%	Yes
58	Shikarpur	Khanpur	6.85	25.13	36.47	2.7	13.6	21.2	39.4%	54.2%	58.0%	Yes
59		Shikarpur	42.05	55.21	63.94	23.8	31.9	39.0	56.6%	57.7%	60.9%	Yes
60	Sukkur	Pano Akil	12.78	23.42	67.62	3.0	5.6	17.1	23.5%	24.1%	25.3%	Yes
61		Rohri	56.58	96.92	115.85	16.6	28.9	34.1	29.4%	29.8%	29.4%	Yes
62		Saleh Pat	2.27	6.53	15.44	0.2	2.8	4.0	10.7%	43.2%	26.0%	Yes
63	Tharparkar	Chacharo	5.46	28.87	33.80	2.6	22.9	29.4	48.4%	79.5%	87.1%	Yes
64		Diplo	4.74	24.78	32.62	1.5	8.8	18.8	31.7%	35.7%	57.6%	Yes
65		Mithi	19.33	42.54	52.44	11.7	26.6	32.0	60.5%	62.4%	61.0%	Yes
66		Nagarparker	8.52	25.19	30.30	6.2	20.3	25.1	72.9%	80.6%	82.8%	Yes
67	Thatta	Ghorabari	0.67	15.74	18.29	0.3	12.6	11.1	39.7%	79.9%	60.7%	Yes
68		Jati	2.94	18.58	22.30	2.3	16.4	19.6	78.6%	88.4%	87.7%	Yes
69		Mirpur Bathoro	6.64	20.43	22.88	2.7	16.2	10.4	41.3%	79.5%	45.5%	Yes
70		Mirpur Sakro	7.40	38.94	33.73	5.1	33.0	23.4	68.7%	84.7%	69.5%	Yes
71		Shah Bander	1.96	27.25	24.75	0.9	25.0	14.3	48.3%	91.7%	57.6%	Yes
72		Sujawal	16.98	22.26	25.27	6.6	16.2	21.5	38.8%	72.9%	85.1%	Yes
73		Thatta	24.86	41.33	48.41	16.4	36.8	32.2	65.9%	89.1%	66.4%	Yes
74	Umerkot	Kunri	34.28	48.53	44.88	25.1	47.5	35.8	73.3%	97.9%	79.8%	Yes
75		Pithoro	7.55	22.36	24.84	0.6	20.9	23.2	8.5%	93.3%	93.2%	Yes
76		Samaro	5.70	16.24	25.41	2.3	6.7	10.4	39.5%	41.4%	41.0%	Yes
77		Umerkot	39.18	72.02	69.93	12.6	25.8	38.6	32.2%	35.8%	55.2%	Yes

Amounts are in million Rs.

Expenditures to Receipts Ratio of 11 Unchanged TMAs

S. No.	District	Town / Taluka	Reciepts		WSS Expenditure		Expenditure to Receipts Ratio		Compliance
			2003-04 (Actual)	2004-05 (Actual)	2003-04 (Actual)	2004-05 (Actual)	2003-04 (Actual)	2004-05 (Actual)	
1	Hyderabad	Latifabad	84.98	109.54	37.2	48.1	43.8%	43.9%	Yes
2	Karachi	Bin Qasim	273.85	489.55	94.1	195.3	34.4%	39.9%	Yes
3		Lyari	31.40	42.89	10.4	26.7	33.0%	62.2%	Yes
4		North Nazimabad	216.22	223.34	77.7	83.9	35.9%	37.6%	Yes
5	Khairpur	Faiz Gunj	1.96	9.19	0.4	6.9	18.6%	74.6%	Yes
6		Kingri	9.00	25.88	5.9	20.4	65.5%	79.0%	Yes
7		Nara	0.96	7.35	0.5	6.9	48.6%	94.4%	Yes
8	Sukkur	Saleh Pat	2.27	6.53	0.2	2.8	10.7%	43.2%	Yes
9	Tharparkar	Diplo	4.74	24.78	1.5	8.8	31.7%	35.7%	Yes
10		Nagarparker	8.52	25.19	6.2	20.3	72.9%	80.6%	Yes
11	Thatta	Ghorabari	0.67	15.74	0.3	12.6	39.7%	79.9%	Yes

Amounts are in million Rs.