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POLICY NOTE

Making It Work: Institutionalising Social Audits in Meghalaya in India

Rajika Seth | Sidharth Santhosh | Avani Kapur | Neeha Susan Jacob | Pritika Malhotra

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RESEARCH TEAM

Rajika Seth
Sidharth Santhosh
Avani Kapur
Neeha Susan Jacob
Pritika Malhotra

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List of Abbreviations

C&RD - Community and Rural Development Department
CSOs - Civil Society Organisations
CSSs- Centrally Sponsored Schemes
DRDA - District Rural Development Agency
IAS - Indian Administrative Services
MGNREGS - Mahatma Gandhi National Rural Employment Guarantee Scheme
MKSS - Mazdoor Kisan Shakti Sangathan
MSSAT - Meghalaya Society for Social Audit and Transparency
NGOs - Non-Governmental Organisations
NREGS- National Rural Employment Guarantee Scheme
PI&ED - Programme Implementation and Evaluation Department
RTI - Right to Information
SHG- Self-Help Groups
SRES - State Rural Employment Society
The Act - Meghalaya Community Participation and Public Services Social Audit Act, 2017
The Rules - Meghalaya Community Participation and Public Services Social Audit Rules, 2019



Chapter 1

Introduction

In April 2017, Meghalaya enacted the Meghalaya Community Participation and Public Services Social Audit Act, 2017 (henceforth the 'Act'). The Meghalaya Society for Social Audit and Transparency (MSSAT) is responsible for implementing the Act. This legislation is the first of its kind in the country. **It is a laudable effort by the State government to ensure that social audits are conducted regularly, not just for the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) but for more than 20 other schemes (Act, Sch. 1).** Inspired by Rajasthan's Jan Sunwai process of public hearing, the Act aspires to initiate regular social audits to strengthen governance of welfare schemes and increase awareness among citizens of their rights and entitlements.

Social audits are a social accountability mechanism that involve the engagement of collective actors holding the state responsible to provide public goods/ services. It improves institutional performance by bolstering citizen engagement

and the general responsiveness of states and corporations (Joshi & Houtzager, 2012; Fox, 2015). Social accountability is a political process in as much as it builds citizen power vis-à-vis the state. It is distinct from political accountability because it enables citizens to engage with officials throughout the year, not just during elections (Fox, 2015). Adopting social accountability mechanisms can help in improving service delivery and governance by unpacking government functioning, and reducing corruption (Joshi & Houtzager, 2012; Camargo & Jacobs, 2013).

In social audits, citizens review and monitor government action on the ground and use findings from the review to place accountability demands on the government through a public hearing (Aiyar & Mehta, 2015; Aiyar, Mehta & Samji, 2012). Conducting such audits helps providers understand gaps and improve their services, exposing issues that would ordinarily be missed by regular monitoring and evaluation. It increases the confidence of citizens to question public

officials and thus helps minimise leakage and wastage of public funds, ultimately improving the quality of implementation by developing a sense of ownership amongst citizens and improving information sharing with citizens (Pande, 2022; Aiyar & Mehta, 2015; Aakella & Kidambi, 2007). Most importantly, social audits provide a platform which empowers citizens to exercise their democratic rights (Aiyar, Mehta & Samji, 2011).

By educating people on their rights and entitlements and facilitating the expression of grievances, such audits promote transparency and accountability of public sector programmes and help build the political capacity of the marginalised (Agrawal & Nair, 2018).

In India, social audits were pioneered by the grassroots right-to-information campaign led by the Mazdoor Kisan Shakti Sangathan (MKSS) in Rajasthan, where Jan Sunwai (public hearings) were organised to share details of public expenditure on wages and materials with the villagers to trace the implementation of public programmes and identify the causes of delay. Later, in 2005, social audits were institutionalised with the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA), which mandated the conduct of a social audit once every six months to verify the implementation of the National Rural Employment Guarantee Scheme (NREGS) (Pande, 2022).

Despite there being a central legislation which mandated the conduct of a social audit in large Centrally Sponsored Schemes (CSSs) such as MGNREGS, audits have been unevenly implemented. There are different mechanisms and actors enabling social audits. For instance, in Rajasthan, the impetus to conduct the audit comes from the civil society, while in Odisha, the government collaborates with civil society to conduct the audit. However, overall, audit efforts are largely one-time affairs with little to no follow-up (Aiyar, Mehta & Samji, 2012). Only in Andhra Pradesh, where the audit process has been institutionalised and undertaken through the

government machinery, is the conduct of regular audits a success.

This policy note aims to unpack how social audits have been institutionalised in Meghalaya. By identifying strategic action that the State government took to pass the Act, the policy note presents reflections on the current state of affairs on social audits. It thus identifies core areas that the State government and the social audit unit can strengthen to ensure that efficient audits are conducted, thereby meeting the Act's objectives.

Key findings from the policy note include the identification of the merits and successes of the Act, such as the unanimous agreement in all stakeholders on the benefits of having a legislation, and the strong alignment between MSSAT's organisational objectives and the functionaries. However, the findings also highlight challenges MSSAT faced, such as limited human resources, irregular financing, and the need for increased autonomy of the institution. These challenges were presented as opportunities that can enable conducting efficient audits in the state for the identified schemes. The policy note also brings to light the need for stronger coalitions with civil society organisations (CSOs), greater convergence with other departments, and the strengthening of in-house incentives and capacities at MSSAT.

After the completion of our study, the state has taken some steps to address these challenges. This policy note has been updated adding these steps.



Source: MSSAT

Chapter 2

Methodology and Limitations

In-depth interviews and focused group discussions were conducted with various stakeholders involved in the genesis of the legislation and implementation of the social audits. A total of twenty-seven MSSAT functionaries across different levels (ranging from the senior management team to the Village Resource Persons) were interviewed for the study including two previous Director-level staff. Further, seven members of CSOs from Meghalaya and outside the state, three senior bureaucrats serving in different departments, and a Member of the Legislative Assembly, were interviewed. All played key roles in enabling social audits in the state. The team also shadowed the MSSAT team as it trained the Village-Level Social Audit Committees — which served as an opportunity to observe the daily functioning of the unit. These interviews were conducted between April to June 2022.

The study was conducted after the launch of the Act and hence did not track the evolution of the Act

as it was deliberated upon and passed in the State legislature. The authors have not observed the implementation of the audit process or analysed the audit process in-depth. Instead, the study presents perceptions of how these take place from the point of view of different actors participating in them. Further, the authors recognise that the study does not capture the perception of citizens. The study provides insights from civil society organisations that represent citizen perceptions in different regions of the state.

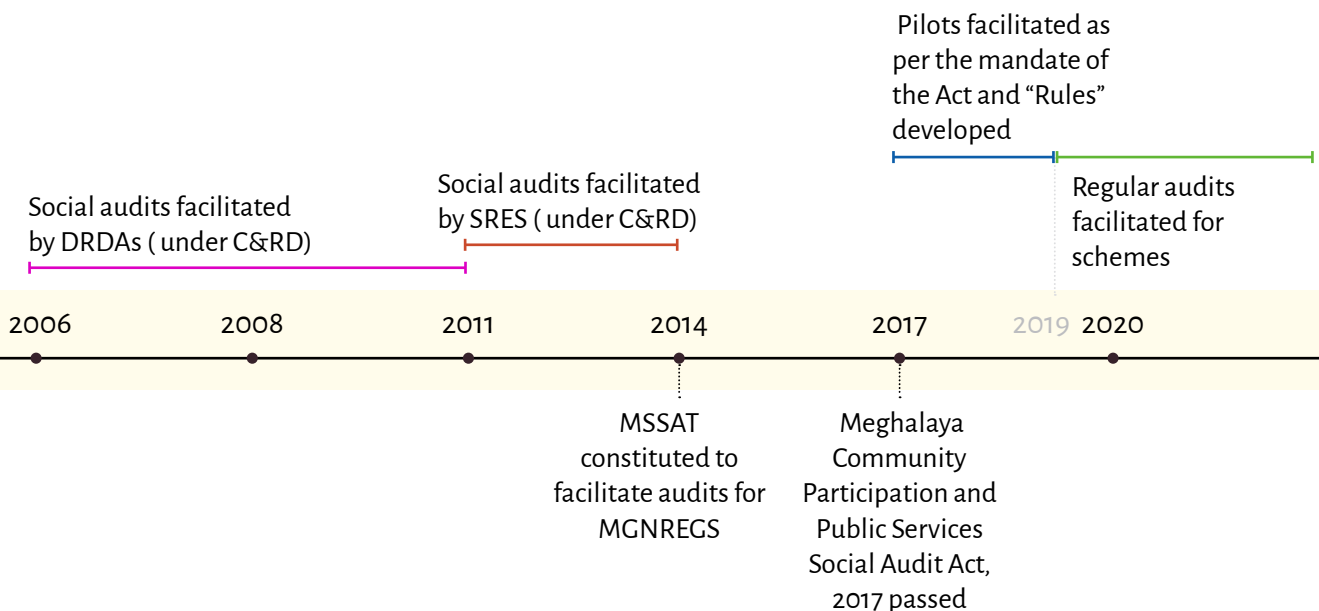
The next section tracks the genesis of social audits in Meghalaya after which insights from the first set of pilots conducted are presented (Chapter 3). The note then reflects on the merits and success of the legislation and MSSAT (Chapter 4). Following this, key challenges are identified for improving the implementation of the legislation (Chapter 5). The note concludes with recommendations on changes that can be implemented based on the findings (Chapter 6).



Source: MSSAT

Chapter 3

Setting the Context: The Genesis of Social Audits in Meghalaya



From 2006 to 2011, social audits were facilitated for MGNREGS by the District Rural Development Agencies (DRDAs) within the Community and Rural Development Department (C&RD).

Following this, from 2011 to 2014, social audits were facilitated by State Rural Employment Society (SRES), also within the C&RD. During this period, the audit itself, i.e. document verification

and door-to-door verification, was facilitated by members of CSOs and non-governmental organisations (NGOs), with whom the SRES engaged through formal agreements.

During our interviews, we learnt from CSOs involved with the audit, that the initial audit process was riddled with difficulties, in the form of:-

- a) **Human resource issues:** CSOs suffered from a lack of workforce to conduct the audits and found it increasingly difficult to allocate staff for the conduct of audits.
- b) **Insufficient remuneration:** The remuneration received by CSOs to conduct the audits often did not include travel costs. They had to cover these costs from their own pocket. Further compensation was not fixed and depended on the quantum of audits completed and findings submitted.
- c) **Excessive documentation:** The audit process involved excessive documentation, which made the process long-winded and complicated; and
- d) **Fear of speaking out:** There were cases of socially disadvantaged groups and women remaining disenfranchised as they were unable to participate during the audit process in their villages freely and lived in fear of being ostracised by the village headman.

To resolve some of these challenges, and comply with the MGNREGS Rules, 2011 (the 'Audit of Scheme Rules'), a separate social audit unit was created in November 2014. This was the Meghalaya Society for Social Audit and Transparency (MSSAT). Specifically, constituting MSSAT fulfilled Rule 4 which required state governments to establish an independent organisation, i.e. a social audit unit, for the conduct of social audits.

Initially, post-constitution, MSSAT worked as an extended branch of the SRES itself and did not have any independent staff of its own — the employees of the SRES were considered employees of MSSAT. However, in 2015, the MSSAT started to recruit its

staff independently, and files pertaining to audits were transferred from the SRES.

In April 2017, the Social Audit Act came into force to review the (a) delivery of public services; (b) implementation of government schemes; and (c) implementation of government programmes through a participatory social audit by the government and stakeholders which would enable “timely review” and “concurrent course correction” so that “desired development outcomes” are achieved. With this enactment, Programme Implementation and Evaluation Department (PI&ED) was now the nodal department. This Act is extremely broad in scope, with Section 3 listing a total of 8 objectives that include:

1. Facilitating the conduct of audits;
2. Monitoring the implementation of programmes;
3. Educating citizens to enhance citizen ownership;
4. Finding facts and improving upon them; and
5. Seeking suggestions, and providing a platform to air public grievance, among others.

Efforts to track the genesis of the Act reveal that the government began exploring the idea in 2005. Local agitations at that time, on account of controversy related to the shifting of office of the Meghalaya Board of School Education, led to the realisation that social audits are required to gauge public perception of the government. The Indian National Congress, the then ruling party in Meghalaya, was highly supportive of social audits conducted under the MGNREGA and included audits in their 2011 manifesto. Audits were thought of as being an innovative method to improve citizen access to information on their rights and entitlements. At that time, Dr. Mukul Sangma, the Home Minister and Deputy Chief Minister of Meghalaya, publicly announced his desire for a social audit law. A team was constituted to study the possibility of framing a law. Later, in 2017, when Dr. Mukul Sangma was the Chief Minister of Meghalaya, the Social Audit Act was enacted after seeking necessary support from other Members of Parliament.

Discussion with various stakeholders reveal that a workshop was conducted in 2016 to understand the perspectives of CSOs and NGOs involved in the state. Post this, the bill was drafted internally first and another workshop was conducted in 2017 to discuss the same. CSOs expressed that they felt excluded from the initial process of enactment, as they were involved in only a limited capacity and believe that there are some inherent problems

in the Act itself because it was introduced in a top-down manner. The Director and senior team members of MSSAT were consulted and their suggestions were used.

Post enactment of the Act, pilot audits were planned and conducted for several schemes with revised processes as is seen in Box 1. The involvement of CSOs was sought at this stage,

Box 1: Process of Social Audits in Meghalaya (as of April 2022)

1. **Preparation of the social audit calendar by MSSAT:** The draft calendar must be prepared by February 15th every year, published in the public domain for 30 days to seek suggestions, and finalised by March 30th for the upcoming financial year (Rules, R. 12).
2. **Making records available:** All scheme entitlements, guidelines and documents must be made available to the social audit facilitators by the nodal departments at least 15 working days prior to the conduct of the audit (Act, S. 13, 15).
3. **Data verification and interaction with citizens:** A total of 3-7 days may be spent by the audit facilitators in the village for the actual conduct of the audit, depending on the population of the village and the number of schemes being audited.

On the first day of the audit, the team's tasks are limited to: meeting members of the social audit committee and headman, conducting training/awareness sessions for them, accessing documents to identify gaps, allotting schemes and localities to the facilitators for the conduct of the audit and fixing the venue and time for the public hearing. For the remaining days, they are to interact directly with citizens, either through door-to-door visits or locality meetings so that information can be verified, and physical visits of work sites are conducted to assess work quality. Pertinently, the Rules mandate that each beneficiary in the village is met (Rules, R. 17).

4. **Preparation for public hearing:** On the day before the public hearing, social audit findings are to be consolidated, and an agenda of key issues/findings is prepared (Rules, R. 17).
5. **Conduct of public hearing:** The public hearing is open to all village residents. At this hearing, every department must set up a desk/counter to process applications/ grievances received, make immediate recommendations and share information on implemented schemes directly with citizens (Rules, R. 12, 20).
6. **Follow-up action:** For all those grievances that could not be addressed at the public hearing, follow-up action must be recorded and Action Taken Reports prepared and uploaded to the MSSAT website within 15 days from the public hearing (Rules, R. 12).

Source: Meghalaya Community Participation and Public Services Social Audit Rules, 2019

and the Meghalaya Community Participation and Public Services Social Audit Rules, 2019 ('Rules') were framed based on the learnings from the pilot and the learnings from processes adopted for audits in other Indian states.

The consultations with CSOs before the drafting of the Rules had included learnings from other states and extensive pilots, which has meant that the Rules are more extensive than the Act itself and, in some cases, even depart from the Act. By way of an example, while Section 13 of the Act states that the audits are to be facilitated by Self-help Groups (SHGs) and NGOs post conducting the pilots and interacting with stakeholders, it was later realised

that this would not be possible, and so, Rule 12 was introduced after two years. This allowed the MSSAT to recruit resource persons for the conduct of audits. It also meant that there was greater buy-in from CSOs in the state. For instance, a CSO member interviewed for this policy note, said:

I don't think this much amount of work has gone in any other state just to imagine what it should be looking like i.e. the benchmark. I think that was done very well here, and it was done based on practice. It wasn't 5 people sitting and thinking about what can be done. They did it in 18 villages, understood the way it can happen and spelt it out. So the benchmark is clear...



Source: MSSAT

Chapter 4

Merits and Successes of the Legislation

5.1 Unanimous agreement on the merits of the legislation

The interviews we conducted revealed that, overall, social audits have been received well by all stakeholders. Most of the interviewees agreed that social audits are beneficial and are a laudable initiative by the State government. It was widely agreed that social audits help to make the public aware of their entitlements/rights under schemes and help ensure that government resources reach villages.

Social audit is essentially the right to information 'plus'. ... You are proactively giving the information through social audit and there is a mechanism that will help the people get their rights and entitlements... It is the Right to Information (RTI) for the poor because it is actually delivering the right to information, in a true sense, to the poor. That way we are making the government more accountable, more responsive to go reach out, get the audit done, take the feedback...

- a senior government officer

Some even expressed how the audit process has already enabled the government to make policy changes.

Earlier, under MGNREGA, the Ministry [Ministry of Rural Development, Government of India] provided the wages and the state was to contribute for the material. ...the office bearers needed travel allowance...don't have that much amount for travel and obviously it makes them take it from the material; or sometimes they will adjust from the wages. After a state meeting the state saw what was happening, understood why corruption happens...After that, the state is giving the provision of 1 per cent for project management charge... and after one year they increased it to 2 per cent. So it helps.

- an MSSAT employee

Only one senior government official expressed scepticism on the effectiveness of audits as they felt it increased the dependency of citizens on the government and created an added administrative burden for the government.

These positive perceptions of the merits of the legislation indicated a strong willingness to work towards the implementation of the legislation. Willingness to participate, support and improve state processes is an often ignored enabling factor in the translation of policy plans to robust action. By observing these positive perceptions of the legislation, this note emphasises the need to maintain this spirit of the agreement and use this towards stronger implementation.

5.2 Strong alignment between functionaries and organisation objectives

Interviews with MSSAT employees revealed a high level of job satisfaction. Though employees have repeatedly complained of delays in receipt of salary, which is affecting their productivity and motivation, overall, they expressed strong alignment with the nature of work.

I enjoy the work. ... I could really see that in a way we can help out, at least to create awareness and encourage them to raise their voice. We are helping them raise their voice.

- an MSSAT employee

We get to explore much here, especially at the grassroot level, meeting them. Work experience was enjoyable. We know all the skills—before we were involved with MGNREGA, now we are jack of all trades. We know every department. We get to know all the officers. The experience this job offers is like no other job!

- an MSSAT employee

Functionaries expressed that they could approach their managing seniors with relative ease. **This organisational culture of openness to discuss work and ensuing challenges imply better functionary engagement towards completing their tasks diligently.** These are positive signs of strong alignment between functionaries and MSSAT's objectives that lead to the speedy achievement of social audit targets.

5.3 Innovations to the social audit process

Post enactment of the Act, there is a statutory requirement in Meghalaya to conduct social audits of a representative sample of all programmes and schemes mentioned within Schedule 1 in at least 50 per cent of villages once a year (Act, S. 14). Though the social audit process was inspired by the Jan Sunwai in Rajasthan and audits held in Andhra Pradesh, the sheer volume of schemes to be audited made it necessary to modify the process in Meghalaya. In the words of one CSO member:

We can't approach this social audit in the traditional way of how we know social audits. When we go to do a social audit of Mid Day Meal, we take 7 days and there is a kind of thoroughness; we do NREGA, we can afford to give 7 days to NREGA, but if we are going to go into a village and doing so many schemes together we can't be doing social audit in the same way that we have been doing it for Mid Day Meal and NREGA. The scope of what you will audit, how you will audit, scope of verification and the public hearing, all of these will have to be thought about a bit differently if you bunch so many schemes and audit them together..

The pilots provided a platform for the state to innovate and develop a system that would make the conduct of audits at this large scale possible. Two innovations that emerged from the pilots include a mobile application to collect and manage data and the constitution of Village-Level Social Audit Committees to ensure sustainability in conducting audits across a wide range of schemes. **The mobile application (app) was introduced to aid resource persons in data collection during the audit process.** The app contains the forms for every scheme. Senior management functionaries within MSSAT are strong proponents of the app. They acknowledged that while using the app is time-consuming, the information collected is important for the audit to be effective. The app enables the following:

- Uniform collection of data across resource persons and villages audited.
- Unified storage of data collected on a common technology platform by the MSSAT State team.
- Smooth consolidation of findings to be shared with other departments.
- Convenient tracking of previous audit reports and Action Taken Reports filed by other departments.

The Act envisages the appointment of a Village-Level Social Audit Committee to assist facilitators in carrying out the audit. **The objective of this was to create awareness amongst villages and**

instil trust in the process of social audits. This committee would comprise citizen volunteers nominated in their village darbar meetings to conduct audits in villages close to their own. The committee would enable better access to the processes of conducting and attending social audits where citizens can learn of their rights and entitlements, and register grievances, where need be.

The following section explores the challenges faced by MSSAT in conducting the audits. These challenges are presented as opportunities with scope for improvement.



Chapter 5

Challenges for the Legislation

6.1 Shortage of human resources and low salary for MSSAT employees

The Social Audit Act requires audits to be held in at least 50 per cent of the villages, every year, for a representative sample of the 20 programmes and schemes mentioned in Schedule 1. The audit process itself is manpower intensive since it requires the auditors to engage in door-to-door visits and speak to every single beneficiary. The process is also time intensive as discussions with a single beneficiary can take up to 20-30 minutes. Ideally, each village resource person should be assigned between 20-30 villages to be audited in 6 months. Our study revealed that there is currently a significant shortage of staff which has resulted in an increased workload. For instance:

a) In some instances, only three village resource persons have been assigned to audit 180 villages i.e. each resource person is expected to cover 60 villages; or

b) A single district resource person is in charge of 4 blocks comprising a total of 850 villages and receive support from block and village resource persons.

Resource persons have expressed that the remuneration is too little for them to provide for their families, does not cover significant expenses incurred by them when going into the field, and is not commensurate with the quantum of work that is to be done. **Functionaries shared that they believe they are underpaid for the quantity of work they are expected to complete within short periods of time.**

I like working in this department...It is very interesting to visit areas and find out things. But what we are unhappy with is that remuneration is not being looked into... not much increment was there. Our performance is not being looked into. ...Instead of being motivated, we are being

demotivated... Instead of having more interest in working, we have lost interest.
- an MSSAT functionary

6.2 Lack of structural and financial autonomy of MSSAT

In India, both the Audit of Scheme Rules and the Auditing Standards for Social Audit require the social audit unit to be independent or autonomous since any threat to independence could cast aspersions on the audit findings. **Our interviews revealed that the universal view was that MSSAT should be independent and headed by an independent Director:**

If you don't have the capacity to exercise as an independent person it is a tough thing. Government is an overwhelming institution, so you require a very strong person...You need a very strong, committed person who says 'No'. That way it happens.

- a senior government officer

Many MSSAT employees had expressed that the absence of an independent Director had affected the release of their salaries. They also felt that significant issues remained unaddressed since the Director is an Indian Administrative Services (IAS) officer who is already charged (and likely overburdened) with other responsibilities.

An analysis of the Act itself revealed that there were specific statutory barriers to independence as well:

- a) The Act nowhere states that the social audit process is independent of the implementing agency. In fact, the Act allows for the involvement of the District Implementation Agency, i.e. the District Social Audit Coordinator, in inter alia the finalisation and approval of the social audit calendar and the selection of NGOs for the conduct of social audits (Act, S. 9). Additionally, the Village/Locality Implementation Agency,

i.e. the Village Employment Council/Locality Committee, plays a role in identifying audit committee members (Act, S. 11). The need for independence of the audit process is only emphasised, for the first time, in the Rules (Rules, R. 13, 18). This should be remedied as it enables MSSAT to conduct audits independently — from start to finish.

- b) The Act requires a State Social Audit Council to be constituted and tasked with discharging functions such as establishing an audit system, reviewing grievance redressal mechanisms and disseminating information (Act, S. 7). This Council comprises members (mostly government officers) appointed by the State Government. Nothing in the Act mandates independence of the Chairperson of this Council — they must only be an “eminent person with rich experience in the development sector” (Act, S. 6). The Rules do not address this issue either.

Though the Rules shed light on the manner of the constitution of this Council, members are to be appointed by a search cum selection committee comprising two government officials, two civil society representatives and an administrative member of the Lokayukta. They clarify that the selection of the Chairperson is to be done “keeping in view the list of potential candidates prepared by the Programme Implementation and Evaluation Department” (Rules, R. 4). Hence, there seems to be considerable involvement of government departments and government officials in the constitution of the Council itself.

- c) A perusal of advertisements published for the post of MSSAT Director reveals that holding a position in the State/Central government was a pre-requisite for an applicant to apply. This restricted members of the general public to lead the institution, regardless of whether they have experience in conducting audits or not. This restriction also created incentives for

those in the State to recruit candidates they have past experience working with.

As far as funding is concerned, the Director of MSSAT is required to prepare a proposed budget for conducting social audits in all villages once in two years (Rules, R. 9), and the Programme Implementation and Evaluation Department (the PI&ED) is to seek funds from the Government for social audits of all schemes, based on the assessment of likely costs made by the MSSAT (Rules, R. 10). Once obtained, these funds are to be placed with the MSSAT (Rules, R. 10).

However, our discussions led us to conclude that funds were not released in a timely manner:

In each scheme, there should be earmarking of each scheme's percentage of funds for conduct of the social audit. Fund should, at state level, in one go, go to social audit agencies to ensure their independence from these implementing agencies...I don't know about other programmes, but for C&RD schemes, ideally funds should go from Ministry of Rural Development to MSSAT... For some reasons because there were some technical issues that was not happening. Fund flow is not regular to the agency...

- a government officer

There is a state budget in the Rules. We need to take the money. Earlier it was not taken because the MSSAT leadership was slightly weak...

- a senior government officer

Even though the Act says at least 0.5 per cent should be given to the social audit unit, that doesn't happen because they also have their own problems...They should allocate how much is needed for conducting social audits...

- an MSSAT functionary

An MSSAT functionary aware of the fund flow shared that, from 2019-20 to 2021-22, the unit had not received any tranches beyond the first tranche. The functionary also shared that MSSAT had been

meeting its expenses by borrowing loans from the State government — increasing its burden in the long-run.

Though the process of conducting the audits (as was seen in Box 1 in Section 2) appeared to be very well thought out, there were gaps in how the process was being implemented that were direct consequences of the lack of structural and financial independence of MSSAT. Many functionaries of MSSAT complained of delays in the preparation of the annual calendar (during 2020-21) for social audits and have stated that, even when prepared, the activities have commonly deviated from it. Further, department officials were rarely present at the public hearing and instead send their juniors to attend in-proxy. Follow-up action was rarely taken leaving the process open-ended without scope for improvement in scheme delivery.

Hence, there were barriers, both statutory and otherwise, to the structural and financial independence of MSSAT which had significantly impacted its efficiency.

Since January 2023, the Programme Implementation and Evaluation Department (PI&ED) has improved the corpus fund system with state resources by regularising transfers to MSSAT. This enables MSSAT to address the delay in payment of salaries.

6.3 Mixed perceptions on the need for the law

Despite unanimous agreement on the merits of the law, there were mixed perceptions on the need for the law. Views of stakeholders can be categorised into the following:

- a) The Act was required because it legitimises audits by ensuring they are backed up by finance, resources and manpower to aid their proper implementation. Without the Act, social audits would not have been sustainable since it is the Act which makes them uniform

and systematic.

- an MSSAT employee

When they did the pilot social audit, prior to the passing of the law, even the format was not properly designed. After the passing of the law, I have seen that they have designed a proper format on how to go for social audit.

- an officer in a government department

b) A senior government official felt that the Act does more harm than good and should have been introduced as a short-term project instead. Some also feel the Act has no purpose since:

Not much changes because of the law. It ensures that all schemes are covered because that is the prime thing. Other than that, not all the schemes have guidelines saying how you have to do a social audit.

- an MSSAT employee

Contrary to the unanimous agreement on the merits of the legislation (presented in the previous Section 3.1), there is a need to work towards resolving these mixed perceptions on the very need for the legislation.

6.4 Difficulties with the introduction of mobile applications to conduct verification

Despite the many intended benefits of introducing the mobile app, many challenges of using this in daily governance of social audits remain unexplored. **Resource persons at the district, block and village levels have expressed reservations about the app as they find it difficult to use, lengthy and time-consuming — with it taking an average of 20-30 minutes to interview each person using the app.**

On the app, it takes one person 20-25 minutes. It is not possible to complete all the interviews since these are time-consuming.

Takes so much time to enter details, even for compilation, it is very difficult to compile from the app. ...we wouldn't complete...we have to take photos so mobile hangs and all...

- a district-level resource person

It is not easy ...For one scheme there will be 5-6 forms and it will take so much time. It is very lengthy. Sometimes it takes weeks to fill in one form only.

- a block-level resource person

Lastly, as per resource persons, the app reduces 1-1 interaction with the beneficiary, so, they find it easier to take down information by hand and upload it to the app later, resulting in double work.

6.5 Issues in appointment and training of Village-Level Social Audit Committee

While Village-Level Social Audit Committees enable reaching a larger number of citizens, the CSO representatives we spoke to expressed concerns about the effectiveness of this system. As per them, the Village Administration Bill is still pending. **In the absence of a uniform governance framework and the presence of autonomous district councils with varied rules, these village committees may not be effective or even legitimate.** The committees run the risk of perpetuating embedded inequalities of traditional governance models in the State.

MSSAT resource persons also expressed that practical difficulties like distance make it difficult for the village committee members to come for training on conducting the audit. As this is a recent development, the policy note could not identify practical complexities in institutionalising these committees.

6.6 Lacuna in the Act for Grievance Redressal Mechanism

The Social Audit Act makes time-bound redressal of grievances raised during the public hearing the responsibility of the district-level implementation agency (Act, S. 9). The Act also mandates the presence of nodal officers/their representatives during the conduct of the public hearing, to ensure speedy redressal of grievances (Act, S. 15). Post the public hearing, an Action Taken Report must be prepared that contains a summary of the manner in which the grievances raised were redressed. **However, there is a lacuna in the Act and the Rules when it comes to (a) establishing stringent timelines for redressal; and (b) defining penalties for failure to comply.**

- a) The Act mentions no timeline within which the Action Taken Report is to be prepared. Neither is there any stringent timeline for the resolution of grievances raised during the public hearing. The Act only states that grievance resolution timelines will be decided in the public hearing and can vary from “5 working days up to 39 working days” (Act, S. 18).
- b) If there is a delay in taking action within the above-mentioned timelines, the officer is only required to give an explanation. Further, the only action that can be taken against them

is an initiation of departmental proceedings (Act, S. 18).

- c) As per the Rules, the Action Taken Report is to be submitted by the relevant department within 15 days from the uploading of the social audit report to the web portal [Rules, R. 20(12)]. However, the Rules too, do not prescribe any penalties or sanctions for a failure to abide by these timelines.
- d) Neither the Act nor the Rules deal with grievance redressal. There is no appellate authority/mechanism to check the status of complaints. .

The following section presents recommendations for more efficient functioning of social audits in Meghalaya.



Source: MSSAT

Chapter 6

Recommendations

The objective of this note was to understand the genesis and functioning of MSSAT and present insights into the operation of the Social Audit Act and state capacity in Meghalaya through discussions with MSSAT employees, government functionaries and CSOs. **The state government's vision of institutionalising social audits for all welfare schemes has been operationalised through the law and has been well-received by all stakeholders.** There is tremendous enthusiasm and support for social audits and a strong belief in how they can holistically improve the condition of people in the state. **However, at the same time, there are some barriers both in the law and implementation that have the potential to reduce the efficacy of the audits.** Our recommendations to address these are summarised below:

7.1 Need to Improve Salaries of MSSAT Employees

We understand that the main reason for staff shortage is the low salary linked to lack of funds. However, since low salaries coupled with a lack of incentives are starting to affect motivation, it is important to revisit the remuneration provided to MSSAT Employees.

7.2 Appointment of an Independent Director and Amendment of Legislation

It is essential for the MSSAT to remain independent of the implementation authorities, or else the audit findings will lose their relevance. The

appointment of an Independent Director is key to ensuring that the organisation is able to secure the necessary funds and carry out all tasks and achieve the objectives set out in the Social Audit Act. The present statutory barriers to independence must be removed by way of an amendment to the legislation.

In September 2022, MSSAT appointed a new Director, independent of the state government. This appointment paves the way for effective implementation of the Act.

7.3 Establishment of Grievance Redressal Mechanisms

Lacuna in the Act and Rules with enforcing a functioning grievance redress mechanism has resulted in there being gaps when it comes to implementation.

During our discussions with senior government officials and CSOs we learnt of a potential collaboration between the legal services authority and MSSAT whereby, for grievances where action has not been taken, in a timely manner, findings will go to the Lok Adalat and be tried as individual cases. This collaboration appears to be promising and could change the way audits are conducted in the rest of the country as well.

7.4 Capacity building of auditors

Several resource persons expressed that they do not feel that the training they have received is sufficient. The current training covers information about social audits and details of schemes for which the audit is to be conducted. Going forward, training could cover more practical aspects so as to improve the auditors' qualitative analysis skills. This in turn will help them sort through data and prepare more comprehensive reports.

7.5 Greater convergence between departments for better audits

Presently, the convergence between MSSAT and other departments is limited to public hearings. Avenues for the exchange of information both before and after the public hearing will add to the efficiency of the process. Further, it will create trust and reduce the fear inherent in implementing agencies i.e. they will better understand the purpose of social audits and extend greater cooperation to the process in the long run.

7.6 Need for greater awareness and sustained citizen engagement

As evidence from across the globe indicates, social accountability mechanisms work best when conducted as a coalition between the state and citizens. This implies that social audits must be conducted in partnership with citizens. **All stakeholders shared that there is a pressing need to build greater awareness of the legislation and the social audits it enables.** By doing so, there is scope to improve accountability and transparency in the governance of welfare schemes collectively with citizens against working in silos. There is immense potential to invite CSOs to build awareness campaigns that can be disseminated through state departments and MSSAT. Strengthening citizen engagement through the recently launched Village-Level Social Audit Committees also displays potential for improvement in how social audits are conducted in the state. With the introduction of these committees, team members of MSSAT will co-facilitate social audits. To improve citizen engagement further, women from local SHGs will be involved in the Village-Level Social Audit Committee and are also being trained to conduct audits beginning in 2023 outside these committees.

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