



# Social Audit of Social Sector Schemes

**For Mains:** Social Audit of Social Sector Schemes and its benefits

## Why in News?

Recently, the Rajasthan government has decided to **set up a specialised social and performance audit authority** to conduct social audit of schemes, a first-of-its-kind in the country.

## What is the Significance of this Decision?

- **Ensure Public Accountability:**
  - The authority will **ensure public accountability, transparency and citizen participation** in implementation of government schemes, programs and services, and also conduct performance assessment of implementing agencies.
- **Assess the Quality Service Delivery:**
  - The authority will also **assess the quality service delivery** by the government schemes and programs.
  - It will also **perform people satisfaction surveys** to ascertain the outcome of various schemes.
- **Plan Social Audit and Performance Audit:**
  - The authority will **plan, conduct and finalise the social audit and performance audit of the government departments**, undertakings, schemes (central and state), programs, projects and activities in the state of Rajasthan.
    - It will **ascertain the efficiency and effectiveness of the services delivery** and whether public money has been spent economically.
- **Identify and Build Capacity of Civil Services Organisation:**
  - It will provide technical assistance towards effective implementation of various schemes and programmes; provide technical assistance to finance and planning department towards strengthening of annual plans and outcome budgeting; and assess the **quality standards of development and infrastructure works** in rural and as well as urban areas.

## What is Social Audit?

- **About:**
  - Social Audit is the **audit of a scheme jointly by the Government and the people**, especially by those who are affected by the scheme or its beneficiaries.
  - Social audit is different from financial audits **which involve inspecting and assessing documents** related to financial transactions in an organization to provide a true picture of its profits, losses and financial stability.
- **Social Audit and MGNREGA:**
  - Under Section 17 of the MGNREGA, **all works executed under the program must undergo a social audit.**
    - Every Social Audit Unit is entitled **to funds equivalent to 0.5% of the MNREGA expenditure** incurred by the State in the previous year.

- The audit **involves quality checks of infrastructure** created under the MNREGA, financial misappropriation in wages, and checking for any procedural deviations.
- The report titled '**Social audit calendar vs audits completed**' was released recently by the Union Rural Development Ministry (MoRD) highlights that **only 14.29% of the planned audits have been completed in 2021-2022.**
- The Ministry also held that failure to carry out a social audit of the **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)** by states will invite action, including withholding of funds.
- However, it is the **Centre that bears the administrative cost of these Social Audit Units**, and the inordinate delay in the release of funds has left many of these cash-strapped units nearly paralysed.

▪ **Challenges:**

- **Lack of Administrative Will:**
  - The **lack of adequate administrative and political will** in institutionalising social audits to deter corruption has meant that social audits in many parts of the country are not independent of the influence of implementing agencies.
  - The Social Audit Units of some states such as Kerala, Telangana, Himachal Pradesh, and Chhattisgarh, had not received the administrative funds that the Centre owes them. Therefore, **auditors' wages have been delayed** by three months to one year.
- **Resistance and Intimidation:**
  - Social audit units, including village social audit facilitators find it difficult to even access primary records for verification.
- **Lack of People's Participation:**
  - People's participation has been minuscule due to the lack of education, awareness and capacity building among the common masses.
- **Absence of Independent Agency:**
  - There is an **absence of an independent agency** to investigate and act on social audit findings.

## Way Forward

- Citizens groups **need to campaign for strengthening social audits** and make real progress in holding the political executive and implementing agencies accountable.
- **Team of social audit experts should be established** in each district who are responsible for training social audit committee members (stakeholders).
- **Training programmes should be created on social auditing methods** such as conducting and preparing social audit reports, and presentation at Gram Sabha.
- **The system of social audits needs synergetic endorsement** and a push by multiple authorities to establish an institutionalised framework which cannot be undermined by any vested interests.

**Source: TH**