



**Government of Odisha
Housing & Urban Development Department**

No. 13221 /HUD., Date. 7/8/2020
HUD-FUND-COMM-0003-2020

From

**G. Mathi Vathanan, IAS
Principal Secretary to Government**

To

**All the Commissioners of Municipal Corporations
All the Executive Officers of Municipalities & N.A.Cs**

**Sub:-GUIDELINES ON UTILISATION OF GRANTS-IN-AID FOR SANITATION
& SOLID WASTE MANAGEMENT RECOMMENDED BY 5TH STATE
FINANCE COMMISSION TO URBAN LOCAL BODIES FOR THE
PERIOD FROM 2020 - 21 TO 2025 - 26 (6 YEARS)**

Madam/ Sir,

I am directed to say that on the recommendations of 5th State Finance Commission and the Action Taken Report thereof, Government have decided to transfer fund to Urban Local Bodies amounting to Rs.380.00 crore (which includes an amount of Rs.30.00 crore for introducing mechanical sweeping of roads) as Grants-in-aid under "Sanitation & Solid Waste Management" covering a period of six years. The year wise allocation of fund is given below:

(Rs. in Crore)

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2020-26
63.33	63.33	63.33	63.33	63.34	63.34	380.00

1. Objective:

ULBs have been entrusted with the responsibility to provide facilities and services for sanitation and solid waste management which includes collection, storage and treatment onsite or conveyance/treatment for eventual disposal.

As regards solid waste management, the Commission has recommended that decentralised solid waste management through modern technology can be adopted by different Municipal Bodies since

identifying a central dumping yard often encounters various problems including selection of sites and resistance from the local people.

With this objective Grants-in-Aid of Rs.380.00 crore has been provisioned for a period of six years which is tied in nature and shall not be diverted for any other purposes without prior approval of Government.

2. Mode of Release:

The grants-in-aid will be released in two tranches i.e. in April & October during a financial year with following conditions:

- The grants-in-aid earmarked for Sanitation & Solid Waste Management will be allocated among different Urban Local Bodies by H&UD Department depending on their needs.
- The funds under grants-in-aid to ULBs will be released directly to the PL account of the concerned ULBs through PL module of IFMS.
- The ULB should submit the opening balance of the last financial year under Double Entry Accrual Based Accounting System (DEABAS).
- The ULB should certify that they have created the ULB web site and usage of e-Municipality /SUJOG modules.
- Revenue generation from internal sources to increase by 6% annually vis-à-vis corresponding period in last financial year.
- Requirement of number of solid waste management facilities to be ascertained in consideration to per capita/per day solid waste generation in the ULB concern by H&UD Department.
- 1st instalment will be released for setting up of the facility. The 2nd and subsequent instalments will be released for operation and maintenance after the facility being made functional.
- From 2nd year onwards, on account release is to be made for the 1st instalment and the 2nd instalment shall be released on the receipt of UC for at least 50% of the Grant released during previous year.
- Photographs of the project before commencement, during execution and after completion should be taken and kept in the Case Record and to be uploaded online before release of Final payment to the executant.
- Projects taken up under this grant should not overlap with any existing State or Central Scheme. In such cases, where there is provision of fund under any State or Central Schemes, then equivalent amount as recommended by the Commission shall be deducted from the State Scheme or it may be treated as contribution/share of State Government/Local Bodies in case of Central Scheme.

3. Maintenance of Accounts & Audit

- Separate Book of Accounts is to be maintained by the ULBs for each sector specific grant-in-aid.

- The Project approved by the concerned Municipal Council is to be taken up under direct supervision of the N.A.C., Municipality and Municipal Corporation (as the case may be) and to be reviewed from time to time till completion of the work.
- Inventory Assets Register has to be maintained by the ULB in the prescribed format/Form OGFR 30A in terms of Rule-17 (5)(i) of the OGFR.
- The utilisation of grant is subject to audit by the Local Fund Audit Organisation of State, internal audit of the H & UD Department as well as Annual Technical Inspection of C & AG.
- Provision laid down in Odisha Municipal Corporation Act & Rules /Orissa Municipal Act & Rules / Municipal Accounting Procedures/ OPWD code etc. as the case may, will be followed strictly at the time of execution of work.

4. Monitoring and Supervision:

The District Level Monitoring Committee in each district which has been constituted vide Finance Department Resolution No 16885/F dated 4.6.2020 under the Chairmanship of Collector & DM with PD, DUDA and Representatives of the Line Departments as Members and PD, DRDA as Member Convenor shall review the demand and collection of own sources of revenue, progress of expenditure, submission of utilisation certificate etc. on quarterly basis.

- Every ULB need to share, Under public disclosure law as incorporated in OM Act, 1950 and OMC Act, 2003, with public through Notice Board, paper advertisement and web information on quarterly basis their work plan, on-going projects, projects to be taken up, cost of project and status of each of the projects.

5. Submission of Utilisation Certificate

- The Utilisation Certificate in duplicate shall be furnished by the grantee Urban Local Bodies in Form OGFR-7A duly countersigned by the countersigning authority as per the FDOM No.21241/F, dated 17.07.2014 and such other instructions issued from time to time.

This Guideline supersedes all other instructions communicated by H & UD Department as well as Finance Department earlier in this regard. However, on-going projects taken up under the previous guidelines will continue to be governed by the said guidelines.

Housing & Urban Development Department will be competent to clarify doubts, if any, and ensure removal of the bottlenecks, if any, for

23

implementation of the scheme and utilisation of funds and relaxing any of the conditionality for release of grants under special circumstances with due approval of HLMC and concurrence of Finance Department.

This has duly been vetted by Finance Department after obtaining necessary approval of High Level Monitoring Committee (HLMC).

Yours faithfully,

Principal Secretary to Government

Memo No. 13222 /HUD, Date 7/8/2020

Copy forwarded to the Finance (Budget-6) Department for information & necessary action.

Joint Secretary to Government

Memo No. 13223 /HUD, Date 7/8/2020

Copy forwarded to all Collectors & District Magistrate/ all Project Directors of District Urban Development Agencies for information & necessary action.

Joint Secretary to Government

Memo No. 13224 /HUD, Date 7/8/2020

Copy forwarded to PS to Principal Secretary to Government/ PS to F.A.-cum-Additional Secretary to Government, H & UD Department for kind information of Principal Secretary / F.A.-cum-Additional Secretary

Joint Secretary to Government

Memo No. 13225 /HUD, Date 7/8/2020

Copy forwarded all Sections of H & UD Department (Except Issue Section/Diary Section) for information & necessary action.

The RTI Section is requested to upload the guidelines in public domain under section 4(1)(b) of the RTI Act,2005

Joint Secretary to Government